

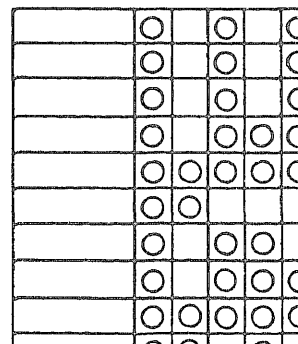
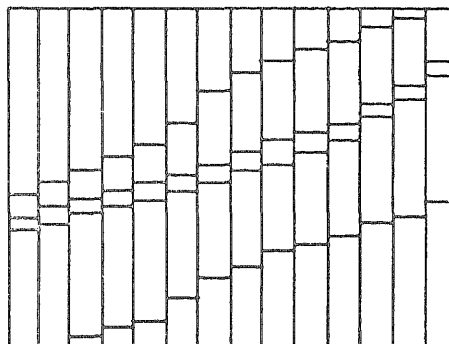
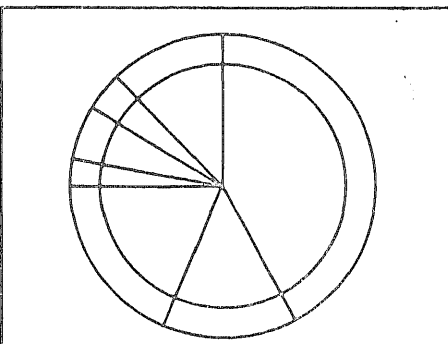
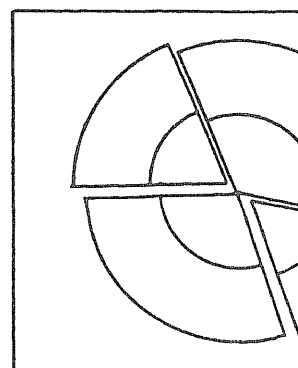
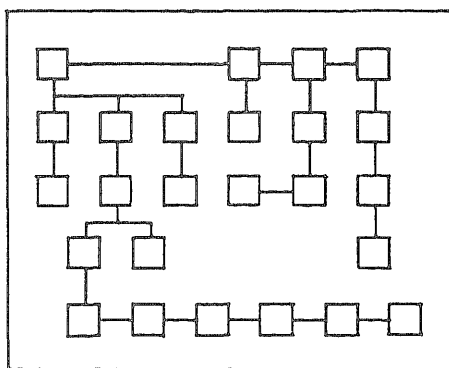
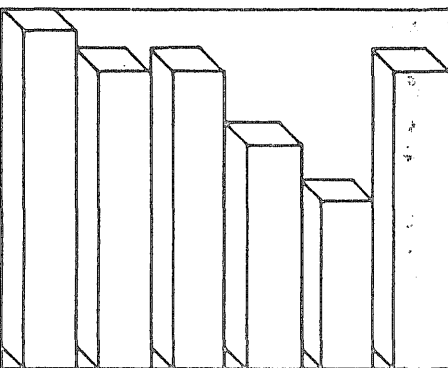


# Program Book

LEM (---) 0453-A-P3

# A Summary of 1984-85

# Program Statistics



**Program Book:**

**A Summary of 1984-85 Statistics About OSFA Programs**



## How to find information in this book

This book is divided into three main parts. It also includes two appendices and a glossary. A table of contents at the beginning of the book lists and briefly describes each of the book's three main parts, as well as its appendices and glossary. This general table of contents lets the reader know which part of the book provides the type of information that he or she is looking for.

At the beginning of each of the three main parts of the book, a detailed table of contents lists the sections contained in that part. If the part contains statistical tables, their titles are also listed in the detailed table of contents. The detailed tables of contents help the reader find specific information within the main parts of the book.

## How to get copies of this book

A limited number of copies of this book can be obtained by calling or writing to:

Office of Postsecondary Education  
Debt Collection and Management Assistance Service  
Division of Quality Assurance  
U.S. Department of Education  
400 Maryland Avenue, S.W.  
Washington, D.C. 20202

Telephone No.: (202) 245-7505

## **Preface**

The preface tells the reader how to find information in this book. It also tells how to get copies of this book.

## **Part 1: An Overview of the Programs and Structure of OSFA**

Part 1 gives general information about the student financial aid programs and how OSFA administers them. It also lists the names, addresses, and telephone numbers of offices that can be contacted for more information about the programs.

## **Part 2: A Statistical Summary of the OSFA Programs**

Part 2 provides data about OSFA and its programs as a whole.

## **Part 3: Summaries of the Individual Programs**

Part 3 is divided into sections by program. Each section begins by describing a program and then provides detailed data about it.

## **Appendix A: Enrollment Trends**

Appendix A provides data about enrollment trends.

## **Appendix B: Collection of Defaulted Student Loans**

Appendix B describes the Department of Education's efforts to collect on defaulted student loans and provides data about the amount of money that has been collected.

## **Glossary**

**PART 1: AN OVERVIEW OF THE PROGRAMS  
AND STRUCTURE OF OSFA**

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## About the OSFA Programs

The Office of Student Financial Assistance (OSFA) administers seven programs that provide financial aid to students who cannot afford to pay the full cost of attending postsecondary schools. There are three types of financial aid: grants, loans, and employment.

- Grants are outright awards of money; they do not have to be repaid.
- Loans are borrowed money; they usually must be repaid with interest.
- Employment gives students the opportunity to earn money to help pay their educational expenses.

The seven programs that currently provide financial aid to students and parents are listed below:

- Pell Grant Program  
(formerly Basic Educational Opportunity Grant [BEOG])
- Guaranteed Student Loan (GSL) Program
- PLUS Program
- National Direct Student Loan (NDSL) Program
- College Work-Study (CWS) Program
- Supplemental Educational Opportunity Grant (SEOG) Program
- State Student Incentive Grant (SSIG) Program

These programs are called **Title IV programs** because they are currently authorized under Title IV of the Higher Education Act of 1965, as amended. In addition to the Title IV programs, OSFA administers an eighth program, the Law Enforcement Education Program (LEEP). However, LEEP no longer provides financial aid; the program is being

Education, the school determines the specific eligibility requirements its students must meet to receive aid from Campus-Based programs.

## **Descriptions of the programs**

Each of the eight financial aid programs that OSFA administers is briefly described below:

**Pell Grant Program.** The Pell Grant Program (formerly the BEOG) provides grants to undergraduate students who need money to meet the cost of attending postsecondary schools. The program provides many students with a "foundation" of financial aid. Aid from other Federal, State, and private sources may be added to this foundation.

Students must apply for Pell Grants directly to the Department of Education. The Department uses a standard formula (which is revised and approved annually by Congress) to evaluate the information that a student provides on his or her application. In this way, the Department determines whether the student is eligible to receive a Pell Grant. The amount of a grant depends on the student's and family's financial resources, the student's enrollment status, and the cost of attending the student's school.

**Guaranteed Student Loan (GSL) Program.** The GSL Program provides low-interest, long-term loans to undergraduate and graduate or professional students, to help them meet the cost of attending postsecondary schools. Students whose families have adjusted gross incomes (AGIs) greater than \$30,000 must demonstrate need. (Need is defined in the section called "What students are eligible," later in Part 1.) Students must apply to eligible lenders, which include banks, credit unions, savings and loan associations, postsecondary schools, State agencies, and private nonprofit agencies that States designate.

schools. Since the NDSL Program is Campus-Based, students must apply directly to their schools.

**College Work-Study (CWS) Program.** The CWS Program provides part-time employment for undergraduate and graduate or professional students who need money to meet the cost of attending postsecondary schools. It gives students a chance to earn money to help pay their educational expenses. Schools make jobs available either on campus or off campus at Federal, State, or local public agencies or at private nonprofit organizations. Since the CWS Program is Campus-Based, students must apply directly to their schools.

**Supplemental Educational Opportunity Grant (SEOG) Program.** The SEOG Program provides grants to undergraduate students who need money to meet the cost of attending postsecondary schools. Since the SEOG Program is Campus-Based, students must apply directly to their schools.

**State Student Incentive Grant (SSIG) Program.** The SSIG Program provides grants to students who need money to meet the cost of attending postsecondary schools. SSIG funds come from both the Federal Government and individual States. Because each State must contribute funds of its own in order to receive Federal funds, the SSIG Program serves as an incentive for States to establish and expand their own grant programs. SSIG operations, criteria for eligibility, and procedures for applying vary from State to State.

**Law Enforcement Education Program (LEEP).** The LEEP Program provided grants and loans to students who were already working or who planned to work in the fields of criminal and juvenile justice. This program ended at the end of the 1980-81 academic year. Current program activities consist of reconciling institutional accounts and billing students.

**What students are eligible**

To be eligible for Federal student financial aid, a

**Eligible program and institution.** To receive aid under any of the Title IV programs, a student must be enrolled in an eligible program of study at one of the more than 8,000 colleges, universities, graduate or professional schools, vocational schools, technical schools, correspondence schools, or hospital schools of nursing that participate in the Title IV programs.

**Enrollment status.** To receive aid under the Pell Grant and NDSL programs, a student must be enrolled at least half time for the purpose of obtaining a degree or certificate. A student must also be enrolled at least half time to receive aid under the GSL and PLUS programs, but the student need not be working towards a degree or certificate. Students who attend less than half time are sometimes eligible to receive aid from the CWS, SEOG, and SSIG programs.

**Year in school.** Undergraduate students may apply to any of the Title IV programs. Graduate students may apply to the GSL, PLUS, NDSL, and CWS programs. A State may choose to include graduate students in its SSIG Program.

**Citizenship.** To receive aid under any of the Title IV programs, a student must be a U.S. citizen or an eligible non-citizen.

**Need.** To receive aid under most of the Title IV programs, a student must demonstrate need. (To receive loans under the GSL Program, however, only students whose families have adjusted gross incomes [AGIs] greater than \$30,000 must demonstrate need. To receive loans under the PLUS Program, students and their parents do not have to demonstrate need.) Need is the difference between the cost of attendance (tuition, fees, room and board, books, supplies, and other expenses), other financial aid, and the expected family contribution--the amount that a student and the student's family can afford to pay. The expected family contribution is determined by using one of several standard formulae.

**Satisfactory academic progress.** To receive aid under any of the Title IV programs, a student must be making

funds that students owe. If a student has received an overpayment on a Pell Grant, an SEOG, or an SSIG, the student usually can receive more financial aid at the same school only after he or she has completely repaid the overpayment.

**Statement of registration compliance.** To receive aid under any of the Title IV programs, a student who is required to register with the Selective Service must file a statement with the school that he attends certifying that he has met this registration requirement.

**Statement of educational purpose.** To receive aid under any of the Title IV programs, a student must sign a statement of educational purpose stating that he or she will use the financial aid money only for expenses related to attending school.

**What institutions are eligible**

To be eligible to participate in any of the Title IV programs, an educational or financial institution must meet certain general requirements:

**Authorization to provide a postsecondary program within an eligible jurisdiction.** A school must be legally authorized within a State or within another eligible jurisdiction to provide a program beyond secondary school. For any of the Title IV programs except the GSL Program, the only eligible jurisdictions are:

- the 50 States
- the District of Columbia
- Guam
- Puerto Rico
- the U.S. Virgin Islands
- American Samoa
- the Trust Territory of the Pacific Islands
- the Northern Mariana Islands

A school that is outside of these jurisdictions may be eligible to participate in the GSL Program if it is

**Accreditation.** To participate in any of the Title IV programs except the SSIG Program, a public or nonprofit private school must either be accredited by a nationally recognized accrediting organization or meet one of two alternative requirements. An unaccredited school may still participate in the financial aid programs if:

- the Secretary of Education determines that there is satisfying assurance that the school will meet standards for accreditation
- or
- three accredited schools have each accepted three transfer students and their credits from the school on the same basis as students and credits that are transferred from accredited schools

A proprietary school must be accredited by a nationally recognized accrediting agency. In addition, a proprietary school must have been in existence for at least 2 years.

**Criteria for certification.** To be certified to participate in the Title IV programs, an educational or financial institution must satisfy certain financial and administrative criteria. OSFA conducts a comprehensive review of each institution's financial responsibility and administrative capability to administer the programs effectively. Once OSFA has determined whether an institution satisfies the criteria for certification, OSFA informs the institution either that it has been certified or that it does not satisfy the criteria.

All nonprofit postsecondary schools in a State must be eligible to participate in the SSIG Program, unless this participation violates the State's constitution or any State law that was enacted before October 1, 1978.

## Where to get more information

Part 3 gives more detailed information about each program in the individual description of that program.

Other publications that give information about the programs include the *Current Title IV Regulations* and the *Federal Student Financial Aid Handbook*. Copies of these publications can be obtained by writing to:

Office of Postsecondary Education  
Office of Student Financial Assistance  
Division of Training and Dissemination  
Room 4661, ROB-3  
U.S. Department of Education  
400 Maryland Avenue, S.W.  
Washington, D.C. 20202

Information can also be obtained from the offices listed in the sections called "Divisional offices to contact for information" and "Regional offices," later in Part 1.

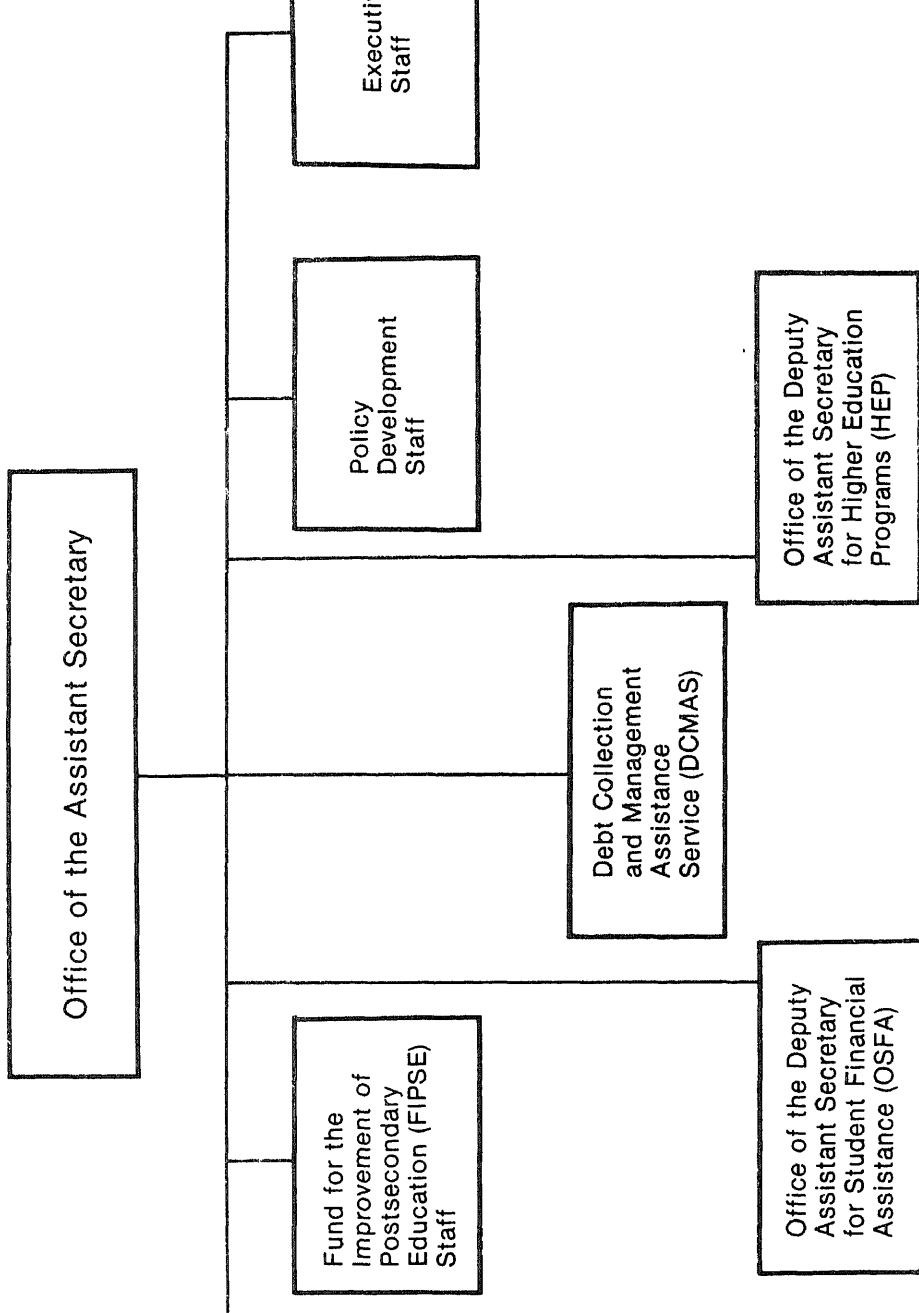
## **The Structure of OSFA**

OSFA is one part of the Office of Postsecondary Education (OPE). The Deputy Assistant Secretary for Student Financial Assistance heads OSFA. The Office of the Director of Student Financial Assistance monitors OSFA's day-to-day operations. OSFA's main office in Washington, D.C., is divided into four divisions, which are subdivided into branches. The divisions are organized by function rather than by program. However, the Division of Policy and Program Development and the Division of Program Operations are each divided into separate branches that deal only with specific programs. There are also ten regional OSFA offices, which perform certain functions locally.

OPE was reorganized at the beginning of 1985. When OPE was reorganized, the Debt Collection and Management Assistance Service (DCMAS) was created. DCMAS performs certain services for OPE as a whole: It manages and collects loans that are assigned to the Department of Education, it designs and monitors computer systems, and it monitors and improves the quality of OPE programs and operations. DCMAS is headed by a Director. It is divided into three divisions. Before OPE was reorganized, two of these divisions--the Division of Systems Design and Development and the Division of Quality Assurance--were divisions of OSFA.

The illustrations on the following pages show the structure of OPE, the structure of OSFA, and the structure of DCMAS.

# Office of Postsecondary Education (OPE)



# Office of Student Financial Assistance (OSFA)

Deputy Assistant Secretary  
Student Financial Assistance Programs

Director  
Student Financial Assistance Programs

Division of  
Policy and Program  
Development (DPPD)

Division of  
Training and  
Dissemination  
(DTD)

Guaranteed  
Student Loan  
Branch

Training  
Branch

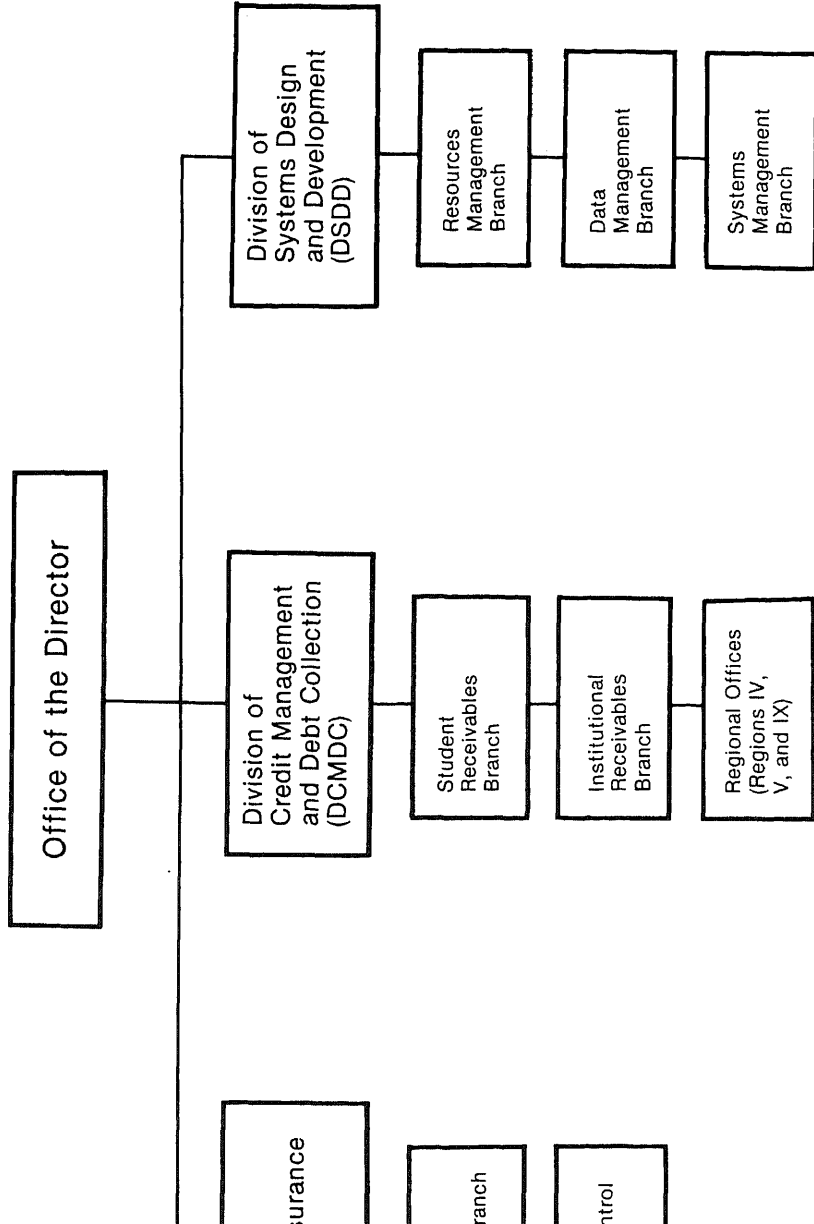
Pell Grant  
Branch

Dissemination  
Branch

Campus and  
State Grant  
Branch

Regional Offices  
(Regions I - X)

# Debt Collection and Management Assistance Service (DCMAS)



division's telephone number is given at the beginning of the paragraph that describes it.

These are the divisions of OSFA:

- Division of Training and Dissemination (DTD)
- Division of Certification and Program Review (DCPR)
- Division of Policy and Program Development (DPPD)
- Division of Program Operations (DPO)

The functions of each division are briefly described below.

#### **Division of Training and Dissemination (202) 472-3330**

The Division of Training and Dissemination (DTD) develops and conducts training programs for OSFA staff and other participants in the student aid programs. It writes and distributes a series of general and technical publications that provide information about student aid programs to audiences ranging from students and parents to guidance counselors and financial aid administrators.

#### **Division of Certification and Program Review (202) 426-2415**

The Division of Certification and Program Review (DCPR) controls the participation of educational and financial institutions in the Title IV programs. The division monitors these institutions' administration of the programs through audits and reviews. It monitors student participation in the Pell Grant Program.

DCPR reviews institutions that apply to participate in the Title IV programs and, if they satisfy certain financial and administrative criteria, certifies them to participate in the programs.

It also conducts on-site reviews of participating postsecondary schools, lenders, and guarantee agencies. The reviews examine these institutions' administrative capabilities and accounting practices to make sure that they are administering Federal funds properly. If they are not in compliance with Federal statutory and regulatory provisions governing the financial aid

applied for Pell Grants must submit to confirm the information on their applications. This process of verifying the information on applications for Pell Grants is called validation.

**Division of Policy and Program Development (202) 245-2247**  
The Division of Policy and Program Development (DPPD) develops, coordinates, and analyzes student financial aid policies and programs.

DPPD reviews all program materials for consistency with established policy and procedures, develops policy manuals, and develops and approves application forms. It develops budget requests and justifications, formulates program requirements and procedures, and develops regulations. It provides direction on policy to staff at headquarters and the regional offices, and to guarantee agencies, lending institutions, postsecondary schools, and participants in the programs.

DPPD also collects data on student aid, analyzes this data, and disseminates its findings. DPPD analyzes proposed legislation as well, to determine the effect that the legislation would have on the student aid programs and to estimate the increases or decreases in program costs that might result if it were enacted.

**Division of Program Operations (202) 245-3390**  
The Division of Program Operations (DPO) manages and services the Title IV programs and disburses funds. DPO's major activities include:

- disbursing and maintaining accounts on student aid funds from the Pell Grant and Campus-Based programs
- making interest and special allowance payments on GSLs either directly to lenders or to guarantee agencies, and reimbursing guarantee agencies for administrative expenses
- paying claims either directly to lenders or to guarantee agencies when GSL borrowers die, declare bankruptcy, become disabled, or default on their loans

These are the divisions of DCMAS:

- Division of Credit Management and Debt Collection (DCMDC)
- Division of Quality Assurance (DQA)
- Division of Systems Design and Development (DSDD)

The functions of each division are briefly described below.

#### **Division of Credit Management and Debt Collection (202) 755-1467**

The Division of Credit Management and Debt Collection (DCMDC) collects certain loans and other debts that students and postsecondary schools owe to the Department of Education. The division provides information about loan collection to OPE managers and others who request it.

DCMDC collects loans that students have defaulted on, certain construction loans that were made to postsecondary schools, and overpayments that were made to students under the Pell Grant Program. DCMDC develops policies, procedures, and goals for collecting defaulted student loans. It also coordinates and monitors the collection efforts of its regional offices and of contractors.

In addition, DCMDC develops and analyzes statistics about loan collection and prepares reports for OPE managers; it answers questions about lenders' and borrowers' responsibilities in relation to default on student loans and the collection of defaulted loans; and it researches and responds to other inquiries about loan collection.

#### **Division of Quality Assurance (202) 245-7505**

The Division of Quality Assurance (DQA) identifies problems and areas of weakness in the programs and operations of OPE, proposes actions to correct problems and improve quality, and helps to implement these corrective actions.

DOA designs and conducts surveys and testing programs to

**Division of Systems Design and Development (202) 245-0812**  
The Division of Systems Design and Development (DSDD)  
plans and manages data processing systems for OPE.

DSDD analyzes OPE's data processing needs and makes long-term plans for developing and maintaining computer systems that will meet these needs. It develops annual plans for data processing and directs money from the data processing budget to the programs and offices where it is needed.

DSDD also develops computer programs to accomplish specific data processing objectives. It makes sure that information is managed in a cost-effective manner and that it is readily available to staff who need it.

#### **Divisional offices to contact for information**

Staff of the divisions can answer questions about the material in this book and provide further information. The following chart shows the offices to contact for various kinds of information about student financial aid:

<b>Kind of Information</b>	<b>Office to Contact</b>	<b>Telephone No.</b>
<u>General Program Inquiries</u>	Division of Training and Dissemination	202/472-5080
<u>General Program Data</u>	Division of Quality Assurance	202/245-7505
<u>Pell Grant</u>		
Program Regulations Program Data	Division of Policy and Program Development	202/472-4300

Campus-Based  
(NDSL, SEOG, CWS)

Program Regulations	Division of	202/245-9720
Program Data	Policy and Program Development	

GSL and PLUS

Program Regulations	Division of	202/472-1880
Program Data	Policy and Program Development	

SSIG

Program Regulations and Program Data	Division of Policy and Program Development	202/472-4265
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LEEP

Program Regulations	Student Receivables	202/472-4585
Program Data	Branch Division of Credit Management and Data Collection	

Collections

Program Data	Student Receivables Branch Division of Credit Management and Debt Collection	202/472-4585
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## Regional Offices

Information is also available from the OSFA regional offices. A Regional Administrator heads each regional office. The addresses, telephone numbers, and FTS numbers of the regional offices are listed below, along with the States that they serve:

### Region I

Regional Administrator  
U.S. Department of Education, OSFA  
McCormack Post Office & Court  
House Building, Rm. 510  
Boston, Massachusetts 02109  
Telephone No.: (617) 223-7205  
FTS: 8-223-7205

### States Served

Connecticut,  
Maine  
Massachusetts,  
New Hampshire,  
Rhode Island,  
Vermont

### Region II

Regional Administrator  
U.S. Department of Education, OSFA  
26 Federal Plaza, Rm. 3954  
New York, New York 10278  
Telephone No.: (212) 264-4045  
FTS: 8-264-4045

New York, New Jersey,  
Puerto Rico,  
Virgin Islands  
Panama Canal Zone

### Region III

Regional Administrator  
U.S. Department of Education, OSFA  
3535 Market Street  
Philadelphia, Pennsylvania 19101  
Telephone No.: (215) 596-1018  
FTS: 8-596-1018

Delaware,  
District of Columbia,  
Maryland,  
Pennsylvania,  
Virginia,  
West Virginia

### Region IV

Regional Administrator

Alabama, Florida,

## Region V

Regional Administrator  
U.S. Department of Education, OSFA  
300 South Wacker Drive  
Chicago, Illinois 60606  
Telephone No.: (312) 386-9022  
FTS: 8-886-9022

## States Served

Illinois, Indiana,  
Minnesota, Michigan,  
Ohio, Wisconsin

## Region VI

Regional Administrator  
U.S. Department of Education, OSFA  
1200 Main Tower Building, Rm. 1645  
Dallas, Texas 75202  
Telephone No.: (214) 767-3811  
FTS: 8-729-3811

Arkansas, Louisiana,  
New Mexico, Oklahoma,  
Texas

## Region VII

Regional Administrator  
U.S. Department of Education, OSFA  
324 East 11th Street, 9th Floor  
Kansas City, Missouri 64106  
Telephone No.: (816) 374-5875  
FTS: 8-758-5875

Iowa, Kansas,  
Missouri, Nebraska

## Region VIII

Regional Administrator  
U.S. Department of Education, OSFA  
Federal Office Building, Rm. 308  
1961 Stout Street  
Denver, Colorado 80294  
Telephone No.: (303) 844-4128  
FTS: 8-564-4128

Colorado, Montana,  
North Dakota, South  
Dakota, Utah, Wyoming

## Region IX

**Region X**

Regional Administrator  
U.S. Department of Education, OSFA  
2902 3rd Avenue - Mail Stop 102  
Seattle, Washington 98121  
Telephone No.: (206) 442-0434  
FTS: 8-399-0434

**States Served**

Alaska, Idaho,  
Oregon, Washington



## **PART 2: A STATISTICAL SUMMARY OF THE OSFA PROGRAMS**

# Table of Contents

History of OSFA Funding--Fiscal Years 1981-1985 . . . . .	
History of OSFA Funding--Fiscal Year 1984 . . . . .	
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Summary of OSFA Program Activity (Number of Recipients)-- Fiscal Years 1980-1984 . . . . .	
OSFA Program Expenditures by Type of School and Fiscal Year-- Fiscal Years 1981-1985 . . . . .	
OSFA Program Recipients by Type of School and Fiscal Year-- Fiscal Years 1981-1985 . . . . .	

# History of OSFA Funding

## Fiscal Years 1981-1985

(\$ Thousand)

	FY 1981		FY 1982		FY 1983		FY 1984		FY 1985	
	Requested	Appropriated	Requested	Appropriated	Requested	Appropriated	Requested	Appropriated	Requested	Appropriated
2,309,000	2,159,000	2,159,000	2,700,000	2,419,040	2,140,000	2,419,040	2,663,000	2,800,000		
370,000	370,000	370,000	400,000	355,400	0	355,400	0 <sup>a</sup>	375,000	0 <sup>a</sup>	
550,000	550,000	550,000	550,000	528,000	397,500	590,000	850,000 <sup>a</sup>	555,000	850,000 <sup>a</sup>	
0	200,800	311,000	193,360	2,500	193,360	4,000	180,860	25,000		
76,750	76,750	76,750	73,680	0	60,000	0	76,000	0		
3,305,750	3,356,550	4,037,750	3,569,480	2,540,000	3,617,800	3,517,000	3,986,860	3,593,800		
1,847,026 <sup>d</sup>	2,535,470	1,773,846	3,073,846 <sup>e</sup>	2,484,631	3,100,500	2,047,100	2,256,500	2,840,677		
5,152,776	5,892,020	5,811,596	6,643,326	5,024,631	6,718,300	5,564,100	6,243,360	( <sup>c</sup> )		

1984 and 1985 reflect the proposed restructuring of these programs into a Work-Study/Self Help Grant Program. Total contribution (FCC) and funds to reimburse institutions for Teacher/Military Cancellations.

budget estimate to Congress. The Senate did not provide an allowance for 1981. The House and Senate agreed on a Continuing Resolution on October 30, 1981. The 1981 budget estimate amount is an estimate of the impact of the Continuing Resolution (which provides for Title IV, part C) to the entire year. It includes a proposed rescission of \$103,270,000.

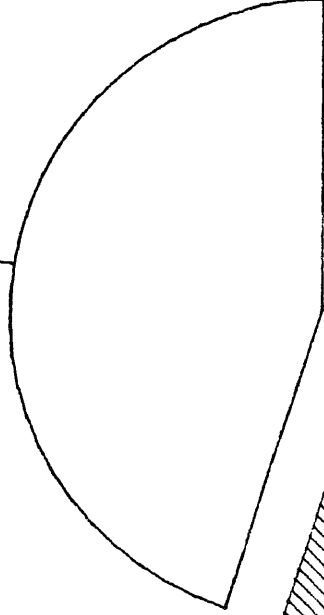
Fourth Continuing Resolution funding level of \$1,773,846,000 plus a supplemental funding of \$1,300,000,000.

# HISTORY OF OSFA FUNDING

FISCAL YEAR 1984

APPROPRIATED FUNDS \$6,243,360

PELL GRANT (\$2,800,000) (44.85%)



ND SL (\$180,860) (2.9%)

CWS (\$555,000) (8.89%)

SSIG (\$76,000) (1.22%)

GSL (\$2,256,500) (36.14%)

SE06 (\$375,000)

Summary of OSFA Program Activity by Fiscal Year Fiscal Years 1980-1984					
	FY 1980	FY 1981	FY 1982	FY 1983	FY 1984
ariation (\$)	1,718,000,000	2,159,000,000	2,419,040,000	2,419,040,000	2,800,000,000
itures (\$)	2,387,324,000	2,299,047,000	2,417,563,000	2,793,688,000	3,068,468,000
ecipients	2,841,710	2,779,545	2,579,218	2,847,468	2,783,830
e award (\$)	840	827	937	981	1,102
schools					
icipating	5,893	5,950	5,954	6,096	6,250
ariation (\$)	1,609,344,000	2,535,470,000	3,073,846,000	3,100,500,000	2,256,500,000
bligations (\$)	1,598,000,000	2,721,000,000	3,298,000,000	2,942,000,000	3,478,000,000
olume					
mitments) (\$)	4,839,874,000	7,824,128,000	6,238,761,000	6,927,722,000	7,916,227,000
of loans	2,314,153	3,539,924	2,788,252	3,039,327	3,403,190
e loan (\$)	2,091	2,210	2,238	2,279	2,320
ariation (\$) <sup>c</sup>	286,000,000	186,000,000	178,560,000	178,560,000	(500,000,000)
itures (\$)	693,500,000	580,187,000	598,227,000	729,600,000	(500,000,000)
ecipients	812,000	684,067	674,901	829,000	
e loan (\$)	853	848	886	880	
schools					
icipating	3,330	3,335	3,337	3,338	
ariation (\$)	370,800,000	370,000,000	355,400,000	355,400,000	(500,000,000)
itures (\$)	367,800,000	361,523,000	342,664,000	341,200,000	(500,000,000)
ecipients	717,000	658,893	640,652	620,364	
e loan (\$)	513	549	535	550	
schools					
icipating	3,723	3,750	4,200	4,224	
ariation (\$)	550,000,000	550,000,000	528,000,000	590,000,000	(500,000,000)
itures (\$)	660,161,000	623,993,000	614,861,000	690,500,000	(500,000,000)
ecipients	819,093	739,346	720,097	784,659	
e award (\$)	806	844	854	880	
schools					
icipating	3,135	3,200	3,300	3,392	
ariation (\$)	76,750,000	76,750,000	73,680,000	60,000,000	76,000,000
itures (\$)	152,902,948	148,467,300	146,930,438	119,890,690	152,000,000
ecipients	274,973	280,843	278,230	200,770	304,000
e grant (\$)	556	529	528	597	500
States					

# UMMARY OF OSFA PROGRAM ACTIVITY NUMBER OF RECIPIENTS FISCAL YEARS 1980--1984

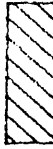
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NDSL



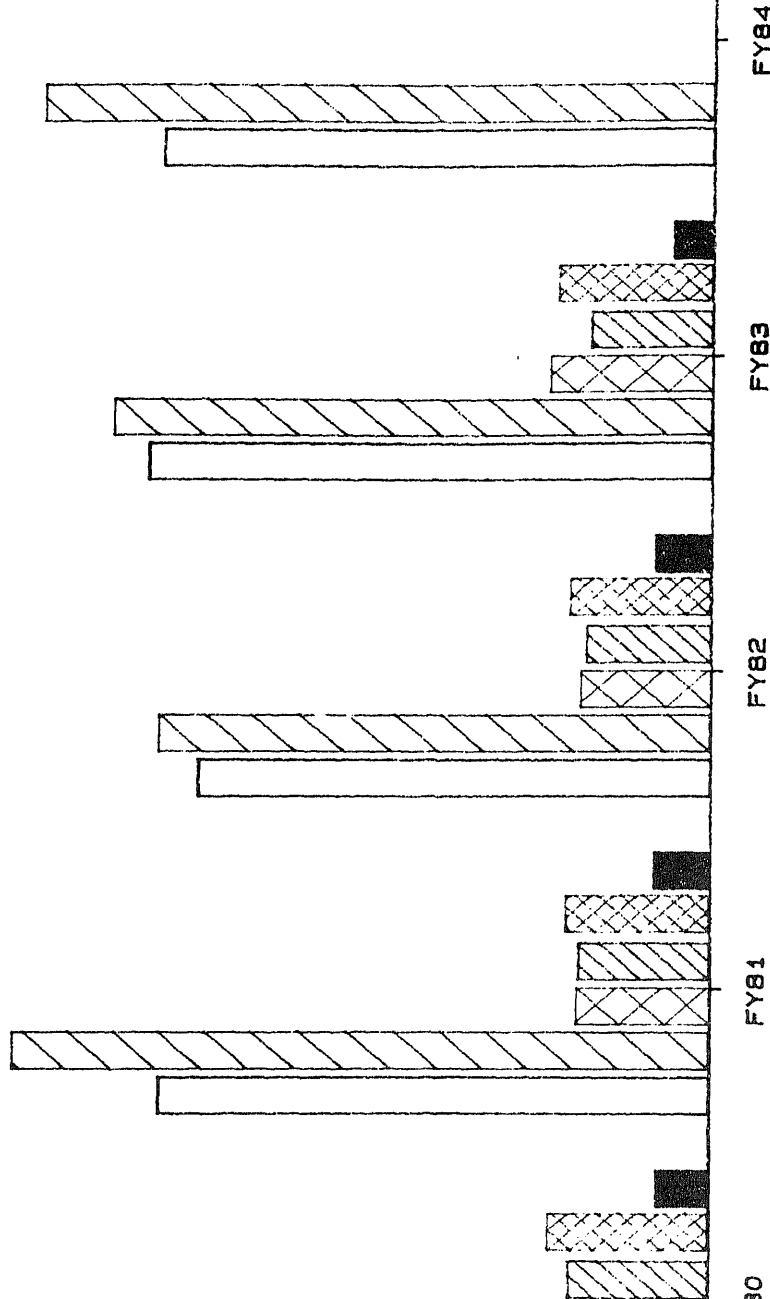
SEOG



CWS



SSIG

80

FY81

FY82

FY83

FY84

# OSFA Program Expenditures by Type of School and Fiscal Year

## Fiscal Years 1981-1985

Program and type of school	Expenditures (\$ thousand)				
	FY 1981	FY 1982	FY 1983	FY 1984	FY 1985
Grant <sup>a</sup>					
OS—public	1,359,451	1,367,273	1,572,300	1,713,428	
OS—private, nonprofit	606,386	628,349	669,161	680,446	
OS—proprietary	304,557	395,320	520,888	640,508	
OS—total	2,270,394	2,390,942	2,762,349	3,034,382	
OS	28,653	26,621	31,339	34,086	
Total	2,299,047	2,417,563	2,793,688	3,068,468	
Grant and PLUS: Total obligation <sup>c</sup>	2,721,000	3,298,000	2,942,000	3,478,000	4,000,000
Loan					
Public	283,721	300,358	( <sup>d</sup> )	( <sup>d</sup> )	
Private, nonprofit	249,930	255,576			
Proprietary	46,536	42,293			
Total	580,187	598,227	729,600	763,000	
Gift					
Public	183,163	171,991	( <sup>d</sup> )	( <sup>d</sup> )	
Private, nonprofit	150,175	142,952			
Proprietary	28,185	27,721			
Total	361,523	342,664	341,200	360,000	
Other					
Public	360,677	354,614	( <sup>d</sup> )	( <sup>d</sup> )	
Private, nonprofit	257,727	254,407			
Proprietary	5,589	5,840			
Total	623,993	614,861	690,500	649,000	
Other					
Public	43,296	41,798	32,884	( <sup>d</sup> )	
Private, nonprofit	31,603	27,346	25,589		
Proprietary	1,165	802	981		
Other	475	883	491		
Total	76,539	70,829	59,945	76,000	

<sup>a</sup> Pell Grant data for FY 1983 are as of September 9, 1985.

<sup>b</sup> Data for 1985 are not available.

<sup>c</sup> Breakout by type of school is not available. Figures represent total obligations.

# OSFA Program Recipients by Type of School and Fiscal Year

## Fiscal Years 1981-1985

Program and Type of school	Recipients				
	FY 1981	FY 1982	FY 1983	FY 1984	FY 1985
Grant <sup>a</sup>					
S—public	1,810,893	1,613,616	1,760,448	1,684,067	
S—private, nonprofit	602,622	552,016	561,969	533,769	
S—proprietary	331,437	380,426	487,912	532,235	
S—total	2,744,952	2,546,058	2,810,329	2,750,071	
S	34,593	33,160	37,139	33,768	
Total	2,779,545	2,579,218	2,847,468	2,783,839	
and PLUS: Total <sup>c</sup>	3,539,924	2,788,252	3,039,327	3,403,199	3,811,111
Public	357,613	366,086	( <sup>c</sup> )	( <sup>c</sup> )	
Private, nonprofit	265,310	256,499			
Proprietary	61,144	52,316			
Total	684,067	674,901	829,000	867,000	
Grant					
Public	352,845	346,889	( <sup>c</sup> )	( <sup>c</sup> )	
Private, nonprofit	232,935	219,963			
Proprietary	73,313	73,800			
Total	658,893	640,652	620,364	655,000	
Public	419,645	408,907	( <sup>c</sup> )	( <sup>c</sup> )	
Private, nonprofit	311,782	303,915			
Proprietary	7,919	7,275			
Total	739,346	720,097	784,659	737,000	
Public	202,514	200,049	135,985	( <sup>d</sup> )	
Private, nonprofit	73,613	72,369	60,315		
Proprietary	3,070	2,418	2,788		

**PART 3: SUMMARIES OF THE INDIVIDUAL PROGRAMS**

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# Pell Grant Program

## Description of the Pell Grant Program

**Statutory authority.** The Pell Grant Program is authorized by Title IV, Part A, Section 411, of the Higher Education Act of 1965 (Public Law 89-329), as amended. It was initially authorized and incorporated into the Higher Education Act by the Education Amendments of 1972 (P.L. 92-318).

**Purpose.** The Pell Grant Program provides grants to undergraduate students who need money to pay for their postsecondary education. Pell Grants are the "foundation" or starting point for awarding Federal student aid.

**Eligibility of students.** To receive a Pell Grant, a student must meet the requirements listed in Part 1, in the section called "What students are eligible."

**Eligibility of schools.** To participate in the Pell Grant Program, a school must meet the requirements listed in Part 1, in the section called "What institutions are eligible."

**Funding of the program.** The Pell Grant Program is funded entirely by the Federal Government. Because Congress annually appropriates funds to be used during the following academic year, the program is said to be "forward-funded."

**Application procedures for students.** A student must apply for a Pell Grant annually. Students must apply directly to the Department of Education. They may use any one of the following application forms:

- Family Financial Statement (FFS), distributed by the American College Testing Program (ACT)
- Financial Aid Form (FAF), distributed by the College Scholarship Service (CSS)
- Pennsylvania Higher Education Assistance Agency's Application for Pennsylvania State Grant and Federal Student Aid

the amount of the grant the student will receive if he or she is eligible.

**Amounts of the grants.** The actual amount of a Pell Grant is determined by the SAI, the total cost of attending the school, the student's enrollment status, and the type of academic calendar that the school uses. The maximum amount of a Pell Grant for 1985-86 is \$2,100.

**Payment.** A student can receive a Pell Grant only after the student has registered for classes at a school that is eligible to participate in the Pell Grant Program. The student is paid by one of two methods, the Regular Disbursement System (RDS) or the Alternate Disbursement System (ADS).

Under the RDS, a student receives Pell Grant payments from his or her school. The Department of Education advances Pell Grant funds to each RDS school. From these funds, the school makes Pell Grant payments to its students. If a school does not receive as much money as it needs to make Pell Grant payments to all of its eligible students, it can ask the Department of Education for more. Each school must make payments to students at least once every academic term (semester, trimester, or quarter). Schools that do not have formally defined academic terms must make payments at least twice every academic year.

Under the ADS, a student receives Pell Grant payments directly from the Department of Education. In addition to applying for a Pell Grant, a student who attends an ADS school must apply to be paid. This is called making a "second stage" application. The student must get a "Request for Payment of Grant Award" (Form 304) from the school's financial aid officer. Both the student and the school must fill out this form. After the form has been processed, the Department of Education lets the student know the amount of the grant, the amount of the first payment, and how to ask for additional payments. It then sends the first payment to the student.

**Statistical summary of the Pell Grant Program**

**Pell Grant  
Selected Program Statistics  
Fiscal Years 1982-1985**

Number of recipients, grant size, and participating schools	FY 1982	FY 1983	FY 1984	FY 1985
Appropriations (\$)	2,279,040,000	2,419,040,000	2,800,000,000	3,575,000,000
Adjustments (\$)	163,512,000	404,055,000 <sup>b</sup>	321,220,000	(650,000,000)
Funds available (\$) <sup>a</sup>	2,442,552,000	2,823,095,000	3,121,220,000	2,925,000,000
Funds used (\$)				
S	2,390,942,000	2,762,349,000	3,034,382,000	
S	26,621,000	31,339,000	34,086,000	
Total	2,417,563,000	2,793,688,000	3,068,468,000	
Number of recipients				
S	2,546,058	2,810,329	2,750,071	
S	33,160	37,139	33,768	
Total	2,579,218	2,847,468	2,783,839	
Average grant (\$)				
S	939	983	1,057	
S	803	844	1,009	
Minimum grant (\$)	1,800	1,800	1,900	
Number of participating schools				
S	5,128	5,228	5,417	
S	826	868	837	
Total	5,954	6,096	6,254	

<sup>a</sup> Funds utilized does not include administrative allowances.

<sup>b</sup> Allocation of the remainder of these funds (\$5 million) was split between the 1983-84 and 1984-85 years in April 1985.

# PELL GRANT

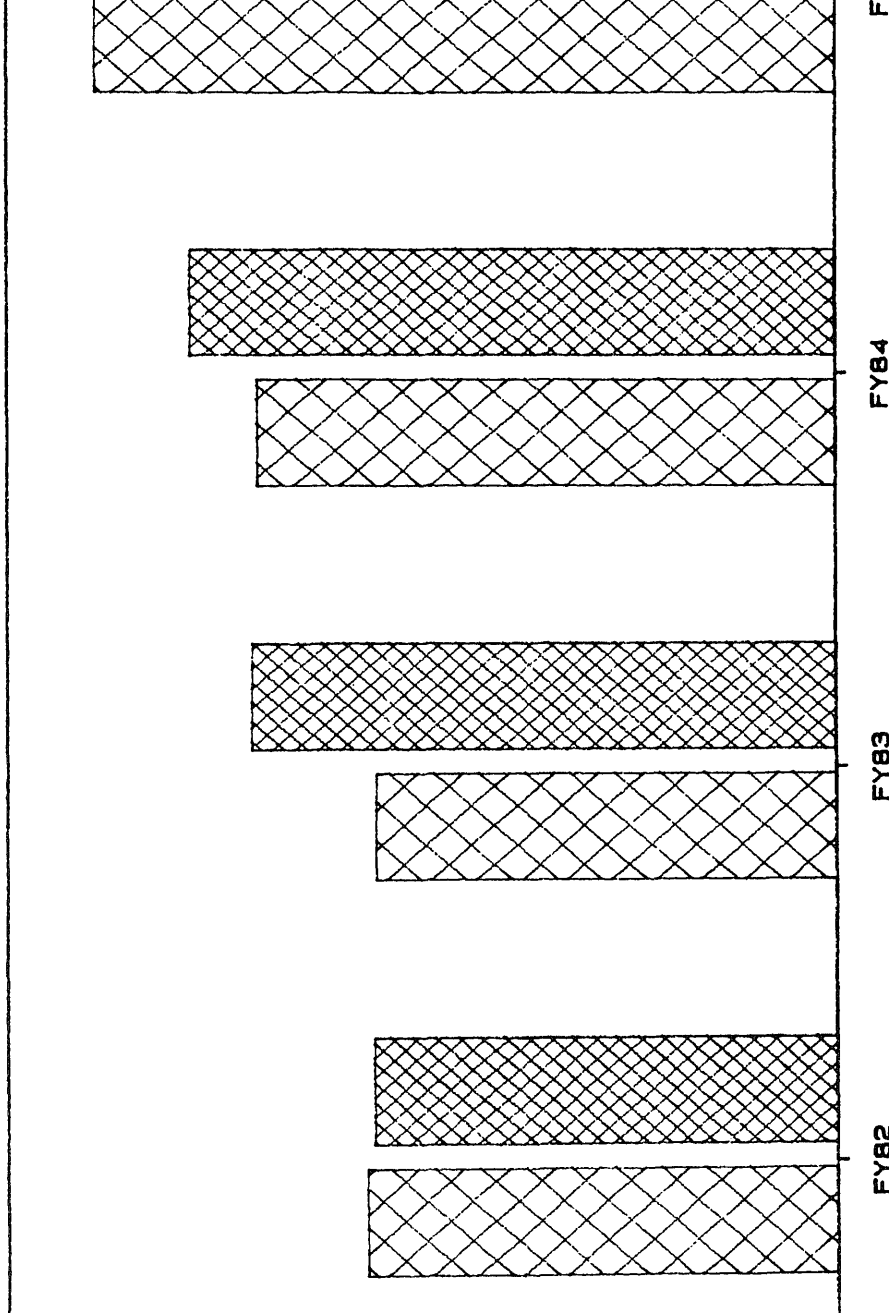
## SELECTED PROGRAM STATISTICS

FISCAL YEARS 1982--1985

APPROPRIATIONS



FUNDS AVAILABLE



(in dollars)			
State	RDS funding	ADS funding	Total funding
Alabama	\$55,018,525	\$843,412	\$55,861,937
Alaska	\$1,237,711	\$8,013	\$1,245,724
Arizona	\$42,307,763	\$29,050	\$42,336,813
Arkansas	\$28,163,921	\$138,552	\$28,302,473
California	\$194,036,698	\$3,330,193	\$197,366,891
Colorado	\$28,689,338	\$763	\$28,690,101
Connecticut	\$18,452,858	\$531,347	\$18,984,205
Delaware	\$4,690,343	\$2,201	\$4,692,544
District of Columbia	\$11,482,877	\$32,935	\$11,515,812
Florida	\$99,984,914	\$868,995	\$100,853,909
Georgia	\$44,460,481	\$1,851,734	\$46,312,215
Hawaii	\$4,688,713	\$524,229	\$5,212,942
Idaho	\$8,327,394	\$1,620,614	\$9,948,008
Illinois	\$134,626,264	\$1,352,238	\$135,978,502
Indiana	\$63,056,164	\$308,123	\$63,364,287
Iowa	\$39,878,734	\$648,256	\$40,526,990
Kansas	\$29,272,843	\$272,834	\$29,545,677
Kentucky	\$45,651,084	\$2,988	\$45,654,072
Louisiana	\$47,074,009	\$1,253,080	\$48,327,089
Maine	\$13,210,632	\$57,765	\$13,268,397
Maryland	\$35,497,112	\$166,845	\$35,663,957
Massachusetts	\$67,461,079	\$383,638	\$67,844,717
Michigan	\$113,596,719	\$455,250	\$114,051,969
Minnesota	\$58,968,475	\$427,515	\$59,395,990
Mississippi	\$41,723,824	\$44,224	\$41,768,048
Missouri	\$57,567,030	\$1,189,226	\$58,756,256
Montana	\$10,307,543	\$52,771	\$10,360,314
Nebraska	\$21,683,264	\$337,199	\$220,021,463
Nevada	\$4,015,535	\$7,119	\$4,022,654
New Hampshire	\$8,560,501	\$12,970	\$8,573,471
New Jersey	\$68,167,936	\$410,647	\$68,578,583
New Mexico	\$15,010,763	\$29,868	\$15,040,631
New York	\$352,263,028	\$1,505,433	\$353,768,461
North Carolina	\$57,007,997	\$574,267	\$57,582,264
North Dakota	\$13,157,403	\$4,605	\$13,162,008
Ohio	\$124,397,947	\$1,182,960	\$125,580,907
Oklahoma	\$29,786,464	\$207,291	\$29,993,755
Oregon	\$34,065,626	\$21,953	\$34,087,579
Pennsylvania	\$139,976,589	\$1,545,793	\$140,522,382
Puerto Rico	\$180,382,662	\$0	\$180,382,662
Rhode Island	\$13,541,847	\$38,647	\$13,580,494
South Carolina	\$36,536,798	\$387,445	\$36,924,243
South Dakota	\$15,959,205	\$41,958	\$16,001,163
Tennessee	\$58,220,149	\$736,274	\$58,956,423
Texas	\$98,943,239	\$196,792	\$99,139,031
Vermont	\$14,109,542	\$6,731,722	\$20,841,264
Virginia	\$6,703,116	\$94,800	\$6,797,916

# Pell Grant Expenditures, Recipients, and Average Award by Type of School (with School Enrollment)

RDS Schools—Award Period 1984–1985

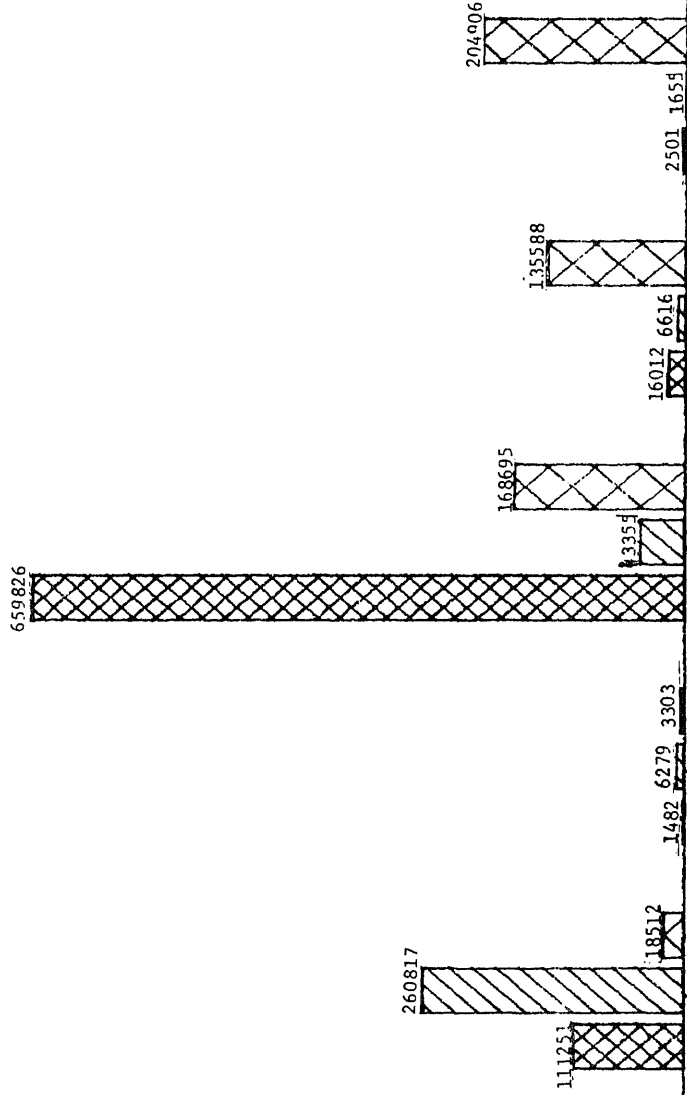
Type of school	Number of schools	Total funding (\$)	Number of recipients	Total enrollment	Average award
Public	357	1,022,293,314	892,683	3,858,545	
Private, nonprofit	361	279,441,195	214,991	926,229	
Proprietary	3	407,668	324	1,043	
Two-year (baccalaureate only)					
Public	125	126,399,908	111,251	450,680	
Private, nonprofit	803	332,941,601	260,817	1,015,362	
Proprietary	23	22,435,762	18,512	42,315	
Four-year					
Public	7	1,346,626	1,482	6,636	
Private, nonprofit	119	7,232,555	6,279	24,263	
Proprietary	22	4,111,627	3,303	7,868	
Other	1	0	0	0	
Public	945	548,713,536	659,826	4,474,370	
Private, nonprofit	269	50,061,763	43,355	103,290	
Proprietary	330	202,675,326	168,695	219,629	
Other					
Public	83	12,477,356	16,012	80,863	
Private, nonprofit	39	8,594,873	6,616	8,603	
Proprietary	554	165,836,037	135,588	150,664	
Other					
Public	26	1,983,701	2,501	5,325	
Private, nonprofit	17	2,080,418	1,655	1,825	
Proprietary	1,255	244,000,155	204,906	260,114	
Other					
Public	1	0	0	0	
Private, nonprofit	4	213,116	312	0	
Proprietary	11	87,677	56	0	

# Pell Grant Expenditures, Recipients, and Average Award by Type of School ADS Schools—Award Period 1984–1985

Type of school	Number of schools	Total funding (\$)	Number of recipients	Average award
For				
Public	1	1,604	2	
Private, nonprofit	8	8,919,885	6,280	1,276
For (baccalaureate only)				
Public	6	107,818	136	
Private, nonprofit	30	2,176,954	1,585	1,380
Proprietary	3	61,305	78	
For				
Public	1	23,253	28	
Private, nonprofit	6	95,520	92	1,039
For				
Public	151	6,517,195	8,838	
Private, nonprofit	193	5,579,333	4,700	1,187
Proprietary	76	1,621,152	1,591	1,020
For				
Public	56	1,571,415	2,223	
Private, nonprofit	34	477,686	440	1,086
Proprietary	34	832,913	934	
For				
Public	61	1,623,787	2,341	
Private, nonprofit	54	1,015,245	829	1,213
Proprietary	114	3,410,318	3,623	
For				
Public	4	10,707	14	
Private, nonprofit	2	18,214	15	1,181
Proprietary	3	21,059	19	1,108
Total	837	34,085,363	33,768	1,070

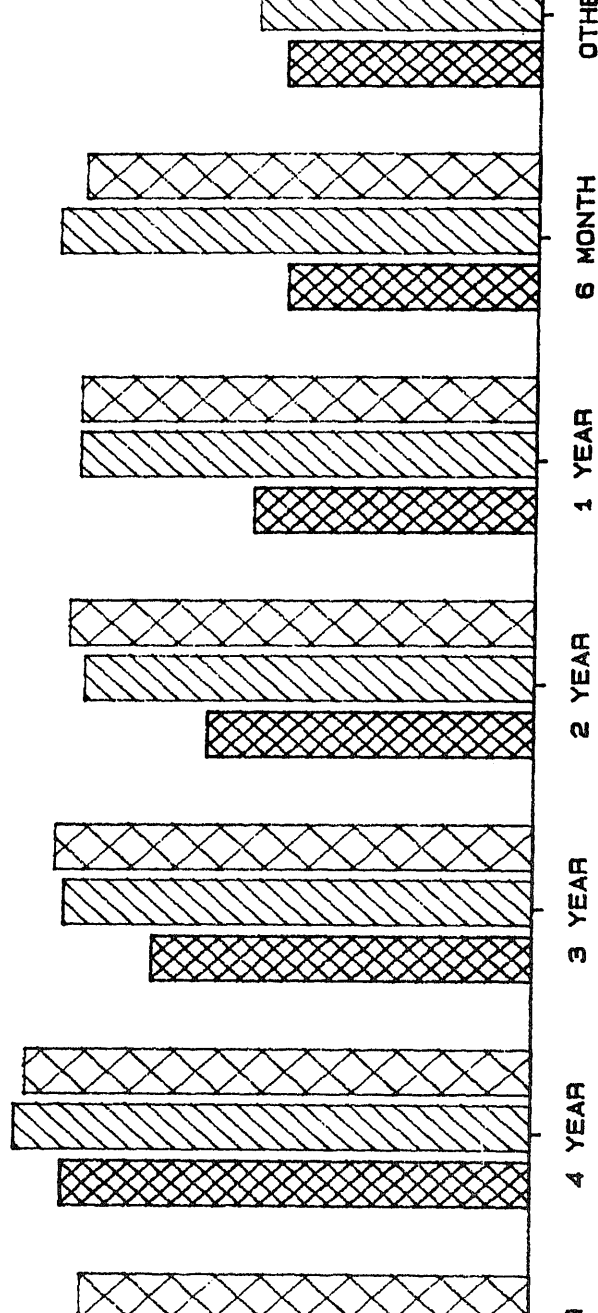
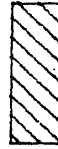
# GRANT RECIPIENTS BY TYPE OF SCHOOL

PRIVATE, NONPROF PROPRIETARY



# PELL GRANT AVERAGE AWARDS BY TYPE OF SCHOOL

PRIVATE, NONPROF   PROPRIETARY



4 YEAR

3 YEAR

2 YEAR

1 YEAR

6 MONTH

OTHER

# Pell Grant Applicants and Recipients by Type of Application Award Year 1983-1984

Type of application	Valid applications		Qualified applicants		Recipients	
	Number	% of total	Number	% of total	Number	% of total
Regular	1,953,832	39.4	1,656,043	46.8	1,209,448	33.9
Special (American College Testing Program)	776,689	15.7	522,185	14.7	436,889	12.0
Special (College Scholarship Service)	2,034,932	41.1	1,248,025	35.2	1,021,962	28.1
Special AA	190,322	3.8	114,938	3.3	90,607	2.5
Total (all types)	4,955,775	100.0	3,541,191	100.0	2,758,906	75.2

**Pell Grant  
Selected Historical Statistics  
Fiscal Years 1973-1984**

	<b>Appropriation (\$ thousand)</b>	<b>Grants to recipients (\$ thousand)</b>	<b>Number of recipients</b>	<b>Average grant (\$)</b>	<b>Number of valid applications</b>	<b>Number qualified applicants</b>
3	122,000	47,589	176,000	270	482,331	268,000
4	475,000	351,353	557,000	630	1,114,084	681,000
5	840,200	917,998	1,228,000	747	2,178,696	1,455,000
6	1,325,800	1,450,100	1,947,000	745	3,408,718	2,258,000
7	1,903,900	1,511,800	2,027,000	746	3,621,641	2,390,000
8	2,160,000	1,540,895	1,913,000	805	3,401,428	2,228,000
9	2,431,000	2,358,222	2,716,000	868	3,868,429	3,025,000
0	1,718,000 <sup>a</sup>	2,387,324	2,841,710	840	4,475,762	3,330,000
1	2,159,000 <sup>b</sup>	2,299,047	2,779,545	827	4,614,590	3,396,000
2	2,419,040 <sup>c</sup>	2,417,563	2,579,218	937	4,709,225	3,341,000
3	2,419,040	2,793,688	2,847,468	981	4,955,775	3,541,000
4 <sup>d</sup>	2,800,000	3,068,468	2,783,839	1,102	4,962,191	3,546,000

This amount was subsequently reduced by a \$140 million rescission. However, additional monies were added due to reallocation of funds.

This amount does not include a subsequent \$445 million supplemental appropriation.

This amount includes a supplemental appropriation of \$140 million.

These data are as of July 29, 1985.

# PELL GRANT SELECTED HISTORICAL STATISTICS

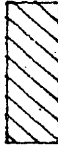
Fiscal Years 1973--1984

APPROPRIATIONS



(In Thousands)

GRANTS TO REC.

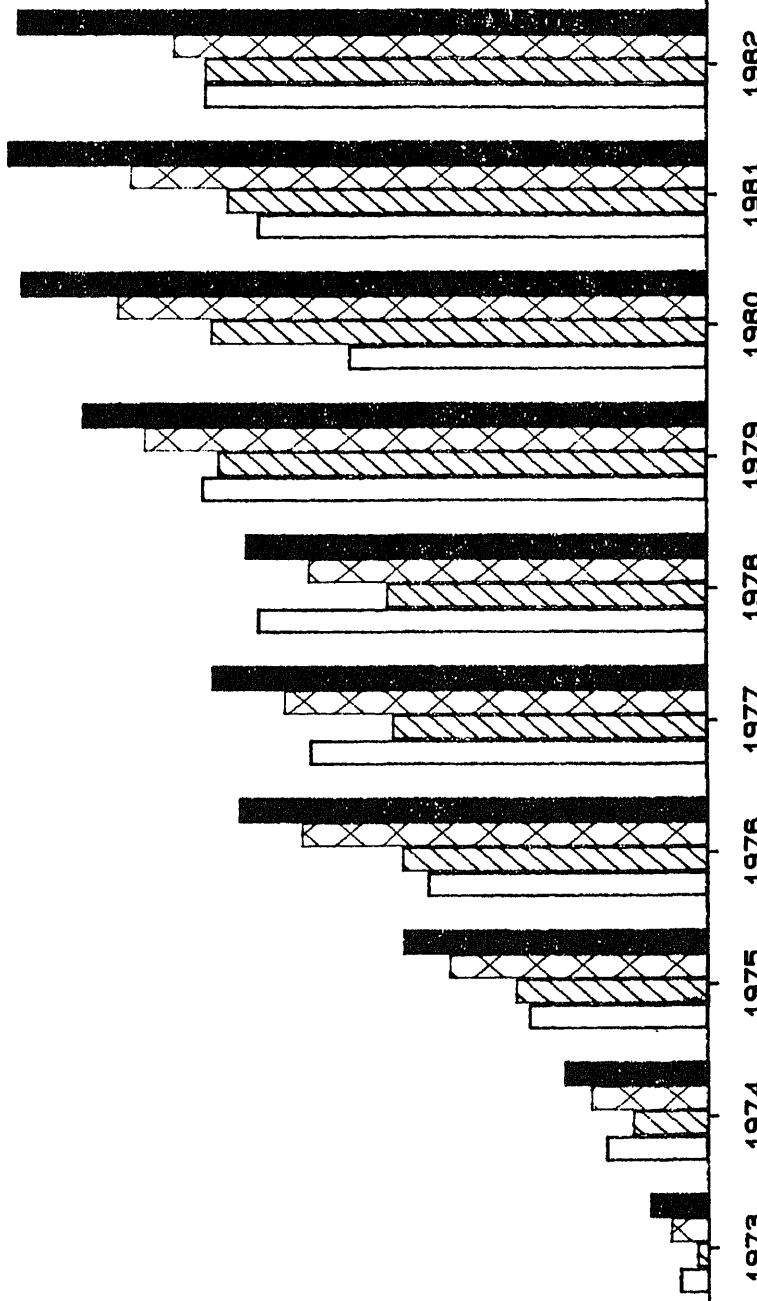


(In Thousands)

# OF RECIPIENTS



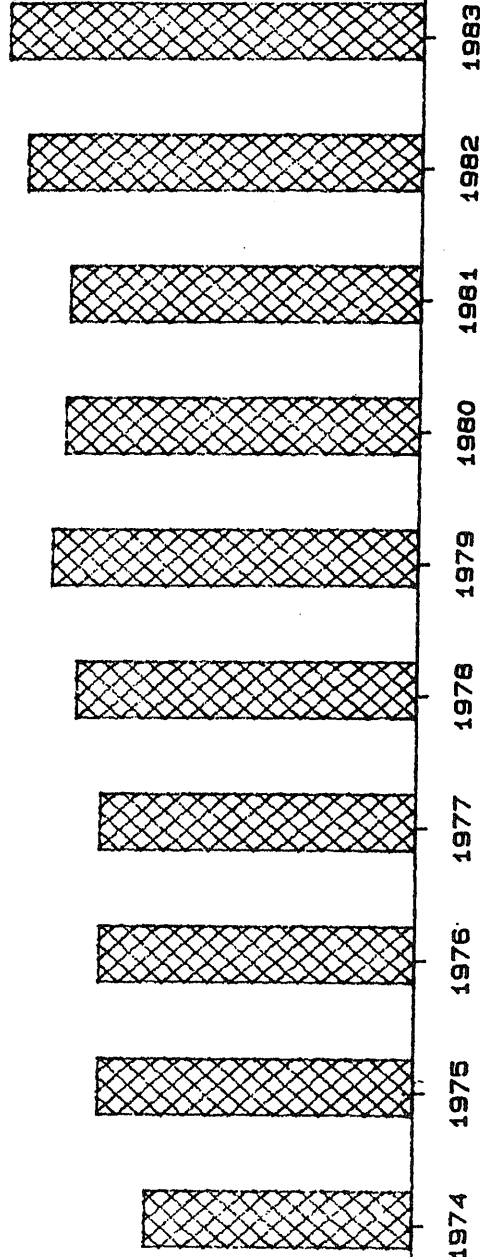
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# PELL GRANT SELECTED HISTORICAL STATISTICS

Fiscal Years 1973--1984

GRANT



## Description of the GSL and PLUS Programs

**Statutory authority.** The GSL Program is authorized by Title IV, Part B, of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq., Public Law 89-329), as amended. The PLUS Program was initially authorized and incorporated into the Higher Education Act by the Education Amendments of 1980 (P.L. 96-374).

**Purpose.** The GSL and PLUS programs enable students and parents to take out long-term loans at low interest rates to help pay for the students' postsecondary education. The loans are guaranteed by State or private nonprofit guarantee agencies and reinsured in part or in full by the Federal Government under the Guarantee Agency (GA) Program. Under the FISL Program, loans are insured directly by the Federal Government. However, the Federal Government no longer insures new loans directly. The FISL Program has been phased out, and no new FISL loans have been approved since July 14, 1984.

**Eligibility of lenders.** To qualify as a lender, an institution must meet certain criteria that are specified by law. Banks, savings and loan associations, credit unions, and similar institutions are eligible to become lenders. Eligible schools, State agencies, and private nonprofit agencies designated by a State may also qualify as lenders. (Correspondence schools are specifically prohibited from becoming lenders.) Lenders must enter into an agreement with a guarantee agency.

**Eligibility of schools.** Students can use GSL or PLUS loans to help pay the cost of attending a school that is eligible. To be eligible, a school must meet the requirements listed in Part 1, in the section called "What schools are eligible."

**Eligibility of students and parents.** Undergraduate and graduate or professional students may apply for GSLs. To receive a GSL, a student who has an adjusted gross income

Independent undergraduate students, graduate or professional students, and eligible parents of dependent undergraduate students may apply for PLUS loans. A student or parent does not have to demonstrate need to receive a PLUS loan. However, students must meet the other requirements listed in the "What students are eligible" section of Part 1. Lending institutions may require students and parents who apply for PLUS loans to undergo a credit analysis.

An eligible parent is defined as a student's mother, father, adoptive parent, or legal guardian. Two eligible parents may take out a loan together as co-makers. If they take out a loan as co-makers, both parents are equally liable for repaying it. A student on whose behalf parents take out a PLUS loan must meet the requirements listed in the "What students are eligible" section of Part 1. To receive a PLUS loan, parents must meet the requirements listed in that section under "Citizenship," "Default on student loans," and "Refunds that students owe." Guarantee agencies and individual lenders may establish additional requirements.

**Funding of the program.** Lenders primarily use private capital to make loans under the GSL and PLUS programs. In addition, Congress allocates funds annually to the Student Loan Insurance Fund (SLIF). These funds are used:

- to pay interest to lenders on behalf of qualified borrowers
  - to pay lenders a "special allowance" that supplements the interest they receive on GSLs and PLUS loans
- and ● to reimburse FISL lenders and guarantee agencies for losses that result from default, death, and disability of borrowers (and, in some cases, for losses resulting from borrowers' bankruptcy)

The GSL Program also receives funds from the loan origination fees that the Department of Education charges for each GSL, from money that the Department of Education

and the parent must complete the parent portion of the application.

For either type of loan, the student's school must complete a portion of the application certifying the student's enrollment and academic standing, the cost of the student's education, and the amount of other financial aid that has been awarded to the student. The person who is applying for the loan then gives the application to a lender. If the lender agrees to make the loan, it obtains a commitment from a guarantee agency and then disburses the loan either directly to the borrower or jointly to the borrower and the borrower's school.

**Amounts of the loans.** The amount of a GSL cannot be more than the estimated cost of a student's education minus

- the estimated financial assistance that the student will receive for the academic period that the loan covers

and • if the student's family has an adjusted gross income (AGI) of \$30,000 or more, the contribution that the student's family is expected to make

**Under the GSL Program:**

- an undergraduate student may borrow up to \$2,500 per academic year, for a maximum total of \$12,500
- a graduate or professional student may borrow up to \$5,000 per academic year, for a maximum total of \$25,000. This \$25,000 limit includes any loans that the student received for undergraduate study.

The amount of a PLUS loan cannot be more than the estimated cost of a student's education minus the estimated financial assistance that the student will receive for the academic period that the loan covers.

**Under the PLUS Program:**

for a maximum total of \$15,000 per student. This total does not include amounts that the student borrowed under the GSL Program.

**Charges for the loans.** Since July 14, 1984, all new GSLs and PLUS loans have been insured by guarantee agencies under the Guarantee Agency (GA) Program. Guarantee agencies may charge lenders an insurance premium of up to 1 percent per year on the unpaid principal balance of both GSLs and PLUS loans. How long this premium is charged on a loan varies among agencies, but it may be charged until the loan has been paid off. In most cases, guarantee agencies do not have to refund insurance premiums to lenders. Lenders may pass the charge for premiums on to borrowers.

The Department of Education charges lenders a loan origination fee of 5 percent of the principal amount of each GSL. (This fee is not charged on PLUS loans.) The purpose of the loan origination fee is to help reduce the Government's cost of subsidizing these low-interest loans. The Department of Education deducts the loan origination fees from the "special allowance" and interest payments that it makes to lenders. A lender may deduct the amount of the loan origination fee from the amount that it pays to the borrower.

**Interest rates.** For a student who is receiving a GSL for the first time, the interest rate is 8 percent. For a student who already has a GSL with an interest rate of 7 or 9 percent, the interest rate on any new GSL will be the same as the rate on the old loan.

The Department of Education, rather than the student, pays the interest on a student's GSL:

- during the time the student is in school
- during a "grace period" that lasts for 6 months after the student has left school if the interest rate is 8 or 9 percent and for 9-12 months if the rate is 7 percent

The Department of Education does not subsidize the interest on PLUS loans. Borrowers must pay all of the interest.

**Special allowance.** The Department of Education pays a quarterly special allowance to lenders based on the outstanding principal balance of their GSLs and PLUS loans. This special allowance is determined by using a formula specified by law. It supplements the interest that lenders receive on their GSLs and PLUS loans. The Department pays the special allowance in order to provide lenders with an equitable yield on these loans. It assures most lenders a total variable yield equal to the quarterly average of 91-day Treasury Bill rates plus 3.5 percent.

**Repayments for GSLs.** A borrower must start repaying a GSL within a certain period after he or she stops attending an eligible school at least half time. For a loan that has an 8 or 9 percent interest rate, that period is 6 months.

For a loan that has a 7 percent interest rate, that period is 9-12 months. The borrower must pay at least \$50 a month (that is, at least \$600 a year).

Lenders usually must allow borrowers at least 5 years to repay their GSL and PLUS loans. However, if a borrower can repay a loan in less than 5 years by making the minimum payments, then the borrower is not allowed 5 years to repay the loan. A borrower must fully repay a GSL loan with 10 years of the date the first payment was due and within 15 years of the date the loan was disbursed. However, a borrower under the PLUS Program must fully repay a PLUS loan within 10 years of the date the loan was disbursed.

These 5-, 10-, and 15-year periods are automatically extended if the borrower is granted (1) a deferment (when the student borrower is allowed to put off making payments on the principal of the loan) or (2) a forbearance (when the lender allows the borrower to stop or reduce payments).

**Repayments for PLUS loans.** A borrower must repay the lender the full amount of a PLUS loan, plus the full

**Authorized periods of deferment.** Under certain conditions, the GSL and PLUS programs allow student borrowers to put off (or defer) repaying their loans. To be granted an authorized period of deferment, the borrower must provide the lender with proof that he or she is eligible. During an authorized period of deferment, the Department of Education makes interest payments on GSLs. Under the PLUS Program, however, a student borrower must continue to make interest payments during an authorized period of deferment unless the lender agrees to let the interest accrue until the deferment period ends. On PLUS loans, student borrowers can defer repaying only the principal. As of August 13, 1983, parent borrowers are no longer eligible for deferment under the PLUS Program.

A student borrower is eligible to defer repaying a loan:

- for an unlimited time while the borrower is
  - studying full time at a participating school (unless the borrower is not a citizen or national of the United States and is studying at a school that is not located in the United States)
  - studying full time at an institution of higher education or a vocational school that is operated by an agency of the Federal Government (for example, a service academy)
  - studying full time in a graduate fellowship program that is approved by the Secretary of Education
  - receiving rehabilitation training in a program for disabled individuals that is approved by the Secretary of Education or scheduled to receive this training within 3 months. (Both the rehabilitation program and the Government agency that recognizes the program must certify that the student is participating or scheduled to participate.)
- for up to 3 years while the borrower is

- serving full time as a volunteer for a tax-exempt organization, if the Secretary of Education has determined that volunteer service for that organization is comparable to service in the Peace Corps or an ACTION program
- temporarily totally disabled or unable to work because he or she is caring for a spouse who is temporarily totally disabled
- for up to 2 years while the borrower is serving in an internship or residency program that meets regulatory requirements and must be completed before the borrower c. begin professional practice or service
- for a single period of up to 1 year while the borrower is seeking but unable to find full-time employment

**Post-deferment grace period.** If a borrower took out a GSL before October 1, 1981, the borrower can defer repaying the loan for an additional 6 months after an authorized deferment period ends. During this additional 6-month period, the Federal Government continues to make interest payments on the loan.

**Forbearance.** If a borrower has trouble making scheduled loan payments because of poor health or other personal problems, the lender may agree to grant the borrower forbearance of payments. This means that the lender lets the borrower temporarily stop making payments, lets the borrower have more time to make payments, or lets the borrower make smaller payments than were previously scheduled. Forbearance is granted for limited periods of time.

**Cancellation.** If a loan is cancelled, the borrower is no longer obligated to make any more payments on it. Under the GSL and PLUS programs, a loan is cancelled if the borrower dies, becomes totally and permanently disabled, or has his or her loan discharged in bankruptcy. Federal law usually does not allow a loan to be discharged in

interest to the Federal Government or to the guarantee agency that insured the loan:

- if 120 days pass and the borrower still has not made the payment
- or ● if it is reasonable to conclude that the borrower no longer intends to repay the loan

If the claim is approved, the loan becomes immediately due and payable and the Federal Government or the guarantee agency tries to collect the defaulted loan. To collect the loan, the Federal Government or the guarantee agency may sue the borrower.

	GSL	PLUS
<b>Eligible borrowers:</b>	(1) undergraduate students (2) graduate/professional students	(1) parents of dependent undergraduate students (2) independent undergraduate students (3) graduate/professional students
<b>Annual loan limits:</b>	(1) \$2,500 for an undergraduate student (2) \$5,000 for a graduate/professional student	(1) \$3,000 on behalf of each student for parents of dependent undergraduate students. This does not include amounts that the student borrowed under the GSL Program. (2) \$2,500 for an independent undergraduate student. This \$2,500 maximum includes amounts that the student borrowed under the GSL Program. (3) \$3,000 for a graduate/professional student. This amount can be in addition to amounts that the student borrowed under the GSL Program.
<b>Aggregate loan limits:</b>	(1) \$12,500 for an undergraduate student (2) \$25,000 for a graduate/professional student	(1) \$15,000 on behalf of each student for parents of dependent undergraduate students. This does not include amounts that the student borrowed under the GSL Program. (2) \$12,500 for an independent undergraduate student. This \$12,500 maximum includes amounts that the student borrowed under the GSL Program. (3) \$15,000 for a graduate/professional student. This amount can be in addition to amounts that the student borrowed under the GSL Program.
<b>Interest rate:</b>	8% for a student who is borrowing for the first time; 9% for a student who already has a loan with a rate of 9%; 7% for a student who already has a loan with a rate of 7%	12% for loans disbursed on or after 11/1/82; 14% for loans disbursed 10/1/81 through 10/31/82; 9% for loans disbursed before 10/1/81
<b>Repayment:</b>	for 8% loans: starts 6 months after the borrower stops attending school at least half time  for 9% loans: starts 6 months after the borrower stops attending school at least half time  for 7% loans: starts 9-12 months after the borrower stops attending school at least half time	starts 60 days after the loan is made, unless the borrower met conditions for deferment of repayment at the time the loan was made
<b>Loan origination fee:</b>	5% of the amount of the loan. The Federal Government charges a lender this fee to help reduce the Government's cost of subsidizing these low-interest loans. The lender may deduct the amount of the loan origination fee from the amount that it pays to the borrower.	None
<b>Need:</b>	A student whose family's adjusted gross income (AGI) is more than \$30,000 must show need.	A PLUS borrower does not have to show need.
<b>Interest benefits:</b>	The Federal Government pays interest on the	The Federal Government does not pay any interest

## Guarantee agencies

The Department of Education has not approved any new loans under the FISL Program since July 14, 1984. All new GSLs and PLUS loans are administered by guarantee agencies under the Guarantee Agency (GA) Program.

Guarantee agencies are State or private nonprofit agencies that administer the GSL and PLUS programs in the 50 States, the District of Columbia, American Samoa, Guam, the Northern Mariana Islands, Puerto Rico, the Trust Territories of the Pacific Islands, and the Virgin Islands. While administrative procedures and loan application forms vary from agency to agency, the amounts of the loans and the provisions for repayment are set by statute and/or regulations. Within guidelines set by the Department, each guarantee agency can establish its own insurance premium.

The guarantee agency that administers the GSL and PLUS programs in a particular State is the best source of information about the GSL and PLUS programs in that State. The names, addresses, and telephone numbers of all of the guarantee agencies are listed below.

### Alabama

Alabama Guaranteed Student Loan Program  
One Court Square, Suite 221  
Montgomery, Alabama 36197-0001  
Telephone No.: (205) 269-2700

### Alaska

Alaska Commission on Postsecondary Education  
Alaska State Education Department  
Pouch FP, 400 Willowby  
Juneau, Alaska 99801  
Telephone No.: (907) 465-2962

### Arizona

Arizona Educational Loan Program

## Arkansas

Student Loan Guarantee Foundation of Arkansas  
219 South Victory  
Little Rock, Arkansas 72201-1884  
Telephone No.: (501) 371-2634

## California

California Student Aid Commission  
1410 Fifth Street  
Sacramento, California 95814  
Telephone No.: (916) 445-0880

## Colorado

Colorado Guaranteed Student Loan Program  
11990 Grant Street, Suite 500  
Northglenn, Colorado 80233  
Telephone No.: (303) 450-9911

## Connecticut

Connecticut Student Loan Foundation  
25 Pratt Street  
Hartford, Connecticut 06103  
Telephone No.: (203) 547-1510

## Delaware

Delaware Higher Education Loan Program  
c/o Brandywine College  
P.O. Box 4394  
Wilmington, Delaware 19807  
Telephone No.: (302) 478-3000 Ext. 203

## District of Columbia

Higher Education Assistance Foundation  
1030 - 15th Street, N.W., Suite 1000  
Washington, D.C. 20005  
Telephone No.: (202) 289-4720

## Georgia

Georgia Higher Education Assistance Corporation  
2082 East Exchange Place, Suite 200  
Tucker, Georgia 30084  
Telephone No.: (404) 492-5402

## Hawaii

Hawaii Educational Loan Program  
United Student Aid Funds, Inc.  
1314 South King Street, Suite 962  
Honolulu, Hawaii 96814  
Telephone No.: (808) 536-3731

## Idaho

Student Loan Fund of Idaho, Inc.  
P. O. Box 730  
Fruitland, Idaho 83619  
Telephone No.: (208) 452-4058

## Illinois

Illinois Guaranteed Loan Program  
106 Wilmot Road  
Deerfield, Illinois 60015  
Telephone No.: (312) 948-8500

## Indiana

State Student Assistance Commission of Indiana  
Loan Division  
964 N. Pennsylvania Avenue  
Indianapolis, Indiana 46204-1032  
Telephone No.: (317) 232-2371

## Iowa

Iowa College Aid Commission  
Ninth and Grand Avenue  
201 Jewett Building, Room 201

## Kentucky

Kentucky Higher Education Assistance Authority  
1050 U.S. 127 South  
Frankfort, Kentucky 40601  
Telephone No.: (502) 564-2393

## Louisiana

Governor's Special Commission of Education Services  
4637 Jamestown Street  
P.O. Box 44127  
Baton Rouge, Louisiana 70804  
Telephone No.: (504) 925-3630

## Maine

State Department of Cultural Services  
Station 119  
Augusta, Maine 04333  
Telephone No.: (207) 289-2183

## Maryland

Maryland Higher Education Loan Corporation  
2100 Guilford Avenue  
Baltimore, Maryland 21218  
Telephone No.: (301) 659-6555

## Massachusetts

Massachusetts Higher Education Assistance Corporation  
330 Stuart Street  
Boston, Massachusetts 02116  
Telephone No.: (617) 426-9434

## Michigan

Michigan Higher Education Assistance Authority  
P. O. Box 30047  
Lansing, Michigan 48909  
Telephone No.: (517) 373-0760

## Mississippi

Mississippi Guarantee Student Loan Agency  
3825 Ridgewood Road  
P.O. Box 342  
Jackson, Mississippi 39205  
Telephone No.: (601) 982-6663

## Missouri

Missouri Department of Higher Education  
P.O. Box 1438  
Jefferson City, Missouri 65102  
Telephone No.: (314) 751-3940

## Montana

Montana Guaranteed Student Loan Program  
33 South Last Chance Gulch  
Helena, Montana 59620  
Telephone: (406) 444-6594

## Nebraska

Higher Education Assistance Foundation  
Cornhusker Bank Building, Suite 304  
Eleventh and Cornhusker Highway  
Lincoln, Nebraska 68521  
Telephone No.: (402) 476-9129

## Nevada

Nevada Department of Education  
Capitol Complex  
400 West King Street  
Carson City, Nevada 89710  
Telephone No.: (702) 885-5914

## New Hampshire

New Hampshire Higher Education Assistance Foundation  
44 Warren Street  
P.O. Box 877

## New Mexico

Student Loan Guarantee Corporation  
3900 Osuna N. E., P. O. Box 27020  
Albuquerque, New Mexico 87125-7020  
Telephone No.: (505) 345-3371

## New York

New York State Higher Education Services Corporation  
99 Washington Avenue  
Twin Towers  
Albany, New York 12255  
Telephone No.: (518) 474-3712

## North Carolina

North Carolina State Education Assistance Authority  
P.O. Box 2688  
Chapel Hill, North Carolina 27514  
Telephone No.: (919) 549-8614

## North Dakota

North Dakota Guaranteed Student Loan Program  
P.O. Box 1657  
Bismarck, North Dakota 58502  
Telephone No.: (701) 224-5653

## Ohio

Ohio Student Loan Commission  
50 West Board Street, 8th Floor  
Columbus, Ohio 43216  
Telephone No.: (614) 462-6549

## Oklahoma

Oklahoma State Regents for Higher Education  
500 Education Building  
State Capitol Complex  
Oklahoma City, Oklahoma 73105  
Telephone No.: (405) 521-8262

Pacific Islands (American Samoa, Guam,  
Northern Marianas, Trust Territories)

Pacific Islands Educational Loan Program  
1314 S. King Street, Suite 962  
Honolulu, Hawaii  
Telephone No.: (808) 536-3731

Pennsylvania

Pennsylvania Higher Education Assistance Agency  
660 Boas Street, Towne House  
Harrisburg, Pennsylvania 17102  
Telephone No.: (717) 257-2866

Puerto Rico

Puerto Rico Higher Education Assistance Corporation  
P.O. Box 42001, Minillas Station  
San Juan, Puerto Rico 00940-2001  
Telephone No.: (809) 726-2525

Rhode Island

Rhode Island Higher Education Assistance Authority  
274 Weybosset Street  
Providence, Rhode Island 02903  
Telephone No.: (401) 277-2050

South Carolina

South Carolina Student Loan Corporation  
Interstate Center, Suite 210  
P.O. Box 21487  
Columbia, South Carolina 29221  
Telephone No.: (803) 798-0916

South Dakota

Education Assistance Corporation  
115 First Avenue, S.W.  
Aberdeen, South Dakota 57401  
Telephone No.: (605) 225-6423

## Texas

Texas Guaranteed Student Loan Corporation  
P.O. Box 15996  
Austin, Texas 78761  
Telephone No.: (512) 835-1900

## Utah

Higher Education Assistance Authority  
355 W. North Temple  
#3 Trid Center, Suite 550  
Salt Lake City, Utah 84180-1205  
Telephone No.: (801) 533-5617

## Vermont

Vermont Student Assistance Corporation  
Champlain Mill  
P.O. Box 2000  
Winooski, Vermont 05404-2000  
Telephone No.: (802) 655-9602

## Virginia

Virginia State Education Assistance Authority  
6 North Sixth Street  
Richmond, Virginia 23219  
Telephone No.: (804) 786-2035

## Virgin Islands

Virgin Islands Board of Education  
P. O. Box 11900  
St. Thomas, Virgin Islands 00801  
Telephone No.: (809) 774-4546

## Washington

Washington Student Loan Guaranty Association  
500 Colman Building  
811 First Avenue South

## Wisconsin

Wisconsin Higher Education Corporation  
P. O. Box 7902  
Madison, Wisconsin 53717  
Telephone No.: (608) 246-1629

## Wyoming

Higher Education Assistance Foundation  
American National Bank Building, Suite 320  
20th at Capitol Avenue  
Cheyenne, Wyoming 82001  
Telephone No.: (307) 635-3259

## HEAF

Higher Education Assistance Foundation  
34 Corporate Woods  
10950 Grandview Drive, Suite 270  
Overland Park, Kansas 66210  
Telephone No.: (913) 648-4255

## USAF

United Student Aid Funds, Inc.  
8085 Knue Road  
P.O. Box 50827  
Indianapolis, Indiana 46250  
Telephone No.: (317) 849-6510

## **Statistical summary of the GSL and PLUS programs**

The tables on the following pages provide data about the funding of the GSL Program, expenditures under the program, the number and total amount of loans committed, the average loan amount, and default rates. The title of each of the tables in this section is listed in the table of contents at the beginning of Part 3.

The *Guaranteed Student Loan Data Book* provides additional data about the Guaranteed Student Loan Program. Copies are available from:

# GSL and PLUS Selected Program Statistics

## Fiscal Years 1966-1984

Program	1966-					Fiscal year		1981	1982	1983	1984	Comments
	1974	1975	1976 <sup>a</sup>	1977	1978	1979	1980					
Volume (commitments)												
Number of loans (thousands)	6,671	991	1,298	973	1,085	1,510	2,314	3,540	2,788	3,039	3,403	
Dollar amount (\$ million)	6,830	1,298	1,828	1,537	1,958	2,984	4,840	7,824	6,238	6,928	7,916	
Average loan (\$)	1,024	1,311	1,408	1,581	1,806	1,977	2,091	2,210	2,238	2,279	2,326	
Guarantee Agency												
Payments to lenders (\$ million)	246	129	194	202	208	223	239	254	290	531	709	
Under default claims rate (%)	7.1	8.2	9.9	10.9	11.6	12.0	12.5	12.3	11.2	10.8	10.7	
Default rate (%)	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	5.9	5.8	5.0	4.7	4.4	
Outstanding obligations <sup>d</sup> (\$ million)												
Lenders:												
Interest benefits	882	210	253	244	249	296	445	736	1,064	1,264	1,236	
Special allowance	158	127	97	106	195	401	820	1,668	1,850	1,072	1,357	
Death & disability	12	4	5	5	6	6	9	10	11	16	20	
Bankruptcy	10	4	11	11	10	8	11	13	14	17	19	
FISLP defaults	145	79	102	99	133	101	111	83	77	80	84	
Guarantee agencies:												
Admin. cost allowance	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	10	12	25	37	56	53	65	
Reserve advances	20	0	1	0	26	33	7	3	3	16	21	
Reinsurance defaults	82	44	74	70	91	120	152	152	209	406	665	
FISLP collections cost	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	2	21	18	19	14	18	11	
Total obligations	1,309	468	543	535	722	998	1,598	2,721	3,298	2,942	3,478	
Receipts <sup>d</sup> (\$ million)												
Origination fee	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	35	293	311	350	
Insurance premium (FISLP)	16	3	4	2	3	3	3	3	3	1	1	
Collections:												
FISLP	8	8	10	10	16	42	43	39	41	51	63	
GSA reimbursements	6	4	9	10	11	22	25	26	37	59	98	
Advances returned	1	( <sup>c</sup> )	( <sup>c</sup> )	( <sup>c</sup> )	3	1	( <sup>c</sup> )	1	0	12	6	
Total receipts	31	15	23	22	33	68	71	104	374	434	518	
Appropriations (\$ million)	1,305	580	808	357	480	958	1,609	2,535	3,074	3,101	2,257	

<sup>a</sup> 1976 is for the 1975-1976 Fiscal Year (July 1975-Sept. 1976) due to changeover from July-June Fiscal Year to October-September Fiscal Year.

<sup>b</sup> Totals by Fiscal Year may not add up to the cumulative total because many guarantee agencies make adjustments to prior years' data by making a change in the cumulative data.

<sup>c</sup> Data are not available.

<sup>d</sup> Source: President's budget appendices.

State	Loans committed		
	GSL Federal <sup>1</sup> & Regular	PLUS	Total
Alabama	73,231,639	948,128	74,179,767
Alaska	1,864,709	0	1,864,709
Arizona	112,770,815	4,496,114	117,266,929
Arkansas	25,233,301	656,316	25,889,617
California	679,337,158	27,393,793	706,730,951
Colorado	101,485,579	3,298,920	104,784,500
Connecticut	147,149,673	9,633,640	156,783,313
Delaware	15,880,862	1,076,453	16,957,315
District of Columbia	70,556,550	50,243,073	120,799,623
Florida	254,216,578	3,019,398	257,235,976
Georgia	60,265,301	2,624,014	62,889,315
Hawaii	18,440,743	702,855	19,143,598
HEAF	269,436,892	10,546,617	279,983,509
Iaho	20,738,404	205,452	20,943,856
Illinois	412,640,033	9,024,282	421,664,315
Indiana	132,342,027	4,445,308	136,787,335
Iowa	115,507,224	4,269,480	119,776,704
Kansas	116,232,329	2,307,306	118,539,635
Kentucky	60,414,056	1,188,231	61,602,287
Louisiana	70,888,497	1,731,847	72,620,344
Maine	44,802,041	1,555,872	46,357,913
Maryland	125,776,165	6,920,879	132,697,044
Massachusetts	296,964,210	22,284,863	319,249,073
Michigan	243,628,858	3,335,772	246,964,630
Minnesota	202,272,549	8,222,544	210,495,093
Mississippi	40,431,681	1,011,796	41,443,477
Missouri	139,386,325	5,025,950	144,412,275
Montana	26,703,399	156,434	26,859,833
Nebraska	76,000,225	3,308,883	79,309,108
Nevada	17,157,139	8,000	17,165,139
New Hampshire	36,368,816	1,738,975	38,107,791
New Jersey	269,340,260	18,776,954	288,117,214
New Mexico	33,597,546	324,153	33,921,700
New York	953,145,629	73,086,087	1,026,231,716
North Carolina	56,712,285	1,242,794	57,955,079
North Dakota	34,425,629	0	34,425,629
Ohio	301,669,212	9,987,528	311,656,740
Oklahoma	43,454,801	1,280,844	44,735,645
Oregon	77,314,415	1,791,883	79,106,298
Pacific Islands	2,856,862	0	2,856,862
Pennsylvania	570,022,705	29,047,445	599,070,150
Puerto Rico	58,038,468	0	58,038,468
Rhode Island	42,657,534	1,796,766	44,454,300
South Carolina	20,002,172	1,273,500	21,275,672
South Dakota	45,916,402	1,411,476	47,327,878
Tennessee	68,819,119	3,240,161	72,059,280
Texas	241,695,149	3,800,244	245,495,393
HEAF	124,927,020	14,488,462	139,415,482
Tahiti	41,754,999	411,834	42,166,833
Tennessee	2,666,666	0	2,666,666

# GSL Annual and Cumulative Commitments\*

## Fiscal Years 1966-1985

	Annual loan volume		Share of total GSL Program		Average loan	Cumulative	
	Number (thousands)	Amount (\$ million)	% of total number	% of total amount	Amount (\$)	Number (thousands)	Amount (\$ million)
Federal Insured Student Loan (FISL) Program <sup>a</sup>							
	0	0	0	0	0	0	0
	0	0	0	0	0	0	0
	83	67	17	16	806	83	67
	248	217	33	32	876	331	294
	365	354	42	44	968	696	648
	482	484	47	48	1,005	1,178	1,189
	692	708	58	56	1,024	1,870	1,917
	599	655	58	56	1,093	2,469	2,572
	507	612	54	54	1,207	2,976	3,184
	505	661	51	51	1,310	3,481	3,845
	522	740	40	40	1,417	4,003	4,585
	322	500	33	33	1,556	4,325	4,825
	268	473	25	24	1,766	4,593	5,298
	277	541	18	18	1,954	4,870	5,849
	236	504	10	10	2,136	5,106	6,383
	189	427	5.3	5.4	2,260	5,295	6,810
	100	234	3.6	3.8	2,338	5,395	7,144
	54	134	1.8	1.9	2,471	5,449	7,278
	16	41	0.5	0.5	2,499	5,465	7,319
Guarantee Agency (GA) Program							
	89	73	100	100	828	89	73
	287	244	100	100	848	376	318
	407	361	83	84	888	783	719
	508	457	67	68	899	1,291	1,176
	498	457	58	56	918	1,789	1,633
	535	531	53	52	992	2,324	2,364
	509	566	42	44	1,113	2,833	3,200
	431	516	42	44	1,196	3,264	3,916
	431	528	46	46	1,225	3,695	4,444
	486	637	49	49	1,312	4,181	5,081
	776	1,088	60	60	1,401	4,957	6,969
	651	1,037	67	67	1,593	5,608	7,966
	817	1,485	75	76	1,819	6,425	9,451
	1,233	2,443	82	82	1,982	7,658	15,894
	2,078	4,336	90	90	2,086	9,736	20,230
	3,340	7,367	94.4	94.2	2,206	13,076	27,597

## GSL Annual and Cumulative Commitments (continued)

	Annual loan volume		Share of total GSL Program		Average loan	Cumulative	
	Number (thousands)	Amount (\$ million)	% of total number	% of total amount	Amount (\$)	Number (thousands)	Amount (\$ million)
<b>S-Parent—GA Program</b>							
	11	30	.3	.4	2,677	( <sup>c</sup> )	
	28	70	1.0	1.1	2,525		
	59	151	1.9	2.2	2,547		
	NA	196	NA	2.5	NA		
<b>S-Student—GA Program</b>							
	0	0	0	0	0	0	
	14	33	0.5	0.5	2,362	( <sup>c</sup> )	
	41	106	1.4	1.5	2,607		
	NA	173	NA	2.2	NA		
<b>PLUS—GA Program</b>							
	11	30	.3	.4	2,677	11	
	42	103	1.5	1.6	2,470	53	
	100	257	3.3	3.7	2,571	153	
	140	369	4.1	4.7	2,632	293	
<b>(GSL and PLUS)</b>							
	89	73	100	100	828	89	
	287	244	100	100	848	376	
	490	428	100	100	874	866	
	756	674	100	100	891	1,622	
	863	811	100	100	940	2,485	
	1,017	1,015	100	100	998	3,502	
	1,201	1,274	100	100	1,062	4,703	
	1,030	1,171	100	100	1,136	5,733	
	938	1,140	100	100	1,215	6,671	
	991	1,298	100	100	1,311	7,662	
	1,298	1,828	100	100	1,408	8,960	
	973	1,537	100	100	1,581	9,933	
	1,085	1,958	100	100	1,806	11,018	
	1,510	2,984	100	100	1,977	12,528	
	2,314	4,840	100	100	2,091	14,842	
	3,540	7,824	100	100	2,210	18,382	
	2,788	6,238	100	100	2,238	21,170	
	3,039	6,928	100	100	2,279	24,209	

## GSL and PLUS Programs—Cumulative Default Data

### Fiscal Years 1972-1984

Data as of 9/30 of Each Fiscal Year

	FY 1977	FY 1978	FY 1979	FY 1980	FY 1981	FY 1982	FY 1983	FY 1984
<b>GSL—FISLP</b>								
Matured paper (\$ thousand)	3,409,000	3,928,000	4,407,648	4,885,886	5,309,836	5,056,915	6,189,155	6,520,000
Claims paid to lenders (\$ thousand)	436,835	536,445	631,460	737,893	823,968	896,100	981,600	1,063,000
Default Claims Rate (%) <sup>a</sup>	12.8	13.7	14.3	15.1	15.5	15.3	15.9	16.3
Default Rate (%) <sup>b</sup>	NA		8.2	8.2	9.1	8.8	9.3	9.3
Net Default Rate (%) <sup>c</sup>				12.3	12.2	11.6	11.5	11.5
<b>GSL—Guarantee Agency<sup>d</sup></b>								
Matured paper (\$ thousand)	3,650,132	4,495,345	5,573,586	6,602,250	8,458,414	11,680,935	16,001,512	22,522,000
Claims paid to lenders (\$ thousand)	333,288	441,011	568,663	701,661	870,127	1,087,586	1,532,540	2,120,000
Default Claims Rate (%)	9.1	9.8	10.2	10.6	10.3	9.3	9.1	9.1
Default Rate (%)		NA		4.2	3.7	3.2	3.1	3.1
Net Default Rate (%)				8.5	8.2	7.4	7.3	7.3
<b>PLUS—Guarantee Agency<sup>d</sup></b>								
Matured paper (\$ thousand)	--	--	--	--	30,000	121,782	364,882	710,000
Claims paid to lenders (\$ thousand)	--	--	--	--	0	68	816	3,000
Default Claims Rate (%)	--	--	--	--	0	.1	.2	.3
Default Rate (%)	--	--	--	--	0	0	.2	.2
Net Default Rate (%)					0	.1	.2	.2
<b>GSL and PLUS Programs</b>								
Matured paper (\$ thousand)	7,059,132	8,423,345	9,981,234	11,488,136	13,798,250	17,659,632	23,355,549	29,753,000
Claims paid to lenders (\$ thousand)	770,123	977,456	1,200,123	1,439,554	1,694,095	1,983,762	2,514,956	3,187,000
Default Claims Rate (%)	10.9	11.6	12.0	12.5	12.3	11.2	10.8	10.8
Default Rate (%)		NA		5.9	5.8	5.0	4.7	4.7
Net Default Rate (%)				10.1	9.8	8.7	8.3	8.3

<sup>a</sup> Default Claims Rate is computed by dividing the cumulative amount of claims paid to the lender by matured paper. It measures, on a cumulative basis, the dollar amount of loans that have defaulted over the life of the GSL Program compared to the total amount of loans subject to default.

<sup>b</sup> Default Rate is computed by dividing the remaining balance of loans in default by matured paper. It measures, on a cumulative basis, the dollar amount of loans still in default status compared to the total amount of loans subject to default.

<sup>c</sup> Net Default Rate is computed by dividing the cumulative amount of claims paid to lenders (minus cumulative collections) by matured paper.

# Regular GSL (Guarantee Agency)—Defaults, Collections, and Rates\* (Cumulative as of 9/30/83 and 9/30/84)

Defaults paid to lenders		Lenders' default claims rate (%)		Net default rate (%)				Amount collected (\$ thousand)	
1983	1984	1983	1984	1983 New	1983 Old	1984 New	1984 Old	1983	1984
332	1,874	2.7	5.5	2.7	2.2	5.2	4.7	8	99
191	303	2.2	2.4	1.8	1.4	2.0	1.9	33	42
2,684	14,661	9.1	12.7	9.1	8.9	12.4	11.3	15	328
2,179	3,151	3.4	3.7	2.7	1.3	3.0	1.3	422	609
2,013	134,545	9.5	10.7	9.5	9.2	9.8	6.3	1,803	11,147
	10,750	4.11	6.1	3.9	2.8	5.7	4.5	294	714
2,668	90,737	9.4	9.2	8.0	4.5	7.6	3.7	11,112	15,624
2,630	3,130	5.3	4.4	3.8	1.9	3.0	1.4	727	1,009
7,277	17,294	13.1	19.1	13.0	12.8	18.5	15.7	51	604
	20,748	2.1	6.4	2.1	2.0	6.1	5.5	140	937
1,163	25,750	9.8	9.9	6.2	4.4	6.2	5.0	7,718	9,611
1,026	2,682	8.7	8.3	8.6	8.0	7.9	6.7	95	255
2,024	3,266	6.7	7.8	6.4	4.6	7.2	3.3	95	255
	113,435	10.1	10.2	7.1	2.4	7.2	3.6	25,660	33,502
4,793									
3,909	7,487	2.9	3.3	2.7	1.9	2.9	1.8	239	846
	11,225	4.7	4.7	4.5	3.8	4.4	3.6	173	710
5,063	29,343	8.6	11.0	8.0	7.3	10.0	7.9	1,103	2,506
	7,910	5.3	5.7	5.2	4.1	5.5	3.1	91	289
2,597	16,171	10.6	10.7	7.5	5.2	7.6	1.2	3,705	4,601
	12,573	7.1	7.5	5.2	2.9	5.7	3.5	2,197	2,975
3,547									
0,091	32,453	9.6	9.8	7.8	5.2	8.0	5.5	3,725	5,783
5,345	94,133	5.8	8.3	4.8	2.4	6.9	4.0	11,085	16,124
2,161	74,369	8.5	9.7	7.2	2.7	8.3	4.1	7,691	11,214
	55,081	6.8	8.8	6.1	5.2	7.7	6.1	3,191	7,270
34	870	4.1	5.2	4.0	3.6	5.1	4.5	1	13
7,127	16,526	7.8	7.5	7.1	6.4	6.9	5.9	675	1,283
371	1,310	3.7	4.5	3.6	3.1	4.2	3.7	15	70

the next page.

# Regular GSL (Guarantee Agency)—Defaults, Collections, and Rates (Cumulative as of 9/30/83 and 9/30/84)

Paid \$	Lenders' default claims rate (%)		Net default rate (%)		Amount collected (\$ thousand)		Rate
	1983	1984	1983 Old	1984 New	1983	1984	
1984							1983
13,847	6.5	8.6	6.2	8.3	74	522	1.3
4,003	12.2	11.0	6.2	8.6	667	897	22.9
4,872	4.1	4.7	1.5	3.7	718	996	24.5
163,954	10.6	11.2	4.7	9.0	22,773	33,290	18.1
1,676	2.9	4.3	.3	3.9	48	141	6.6
536,869	11.5	11.1	.4	8.6	107,404	121,265	23.6
10,978	7.9	7.6	3.5	5.8	1,885	2,662	22.2
396	.0	4.3	.0	4.3	0	2	.0
26,860	3.4	2.8	.7	2.2	4,724	6,520	25.4
13,446	7.7	10.1	.5	8.5	1,726	2,159	21.6
13,446	5.1	5.1	2.1	3.2	3,975	4,899	40.3
214	2.8	15.8	2.8	15.6	0	3	0
308,358	12.5	12.6	5.0	10.1	45,720	60,600	18.8
156	.2	1.4	.2	1.4	0	2	.0
15,292	8.7	9.1	5.7	7.8	1,640	2,309	15.1
496	2.1	2.3	.9	1.8	42	105	15.4
5,286	4.2	4.8	2.6	4.5	137	354	4.8
10,775	4.9	4.9	3.2	3.7	1,694	2,554	20.7
8,965	2.9	5.0	2.5	4.9	38	276	1.7
46,452	7.6	7.1	2.6	4.6	14,185	16,304	40.9
9,627	7.4	8.6	2.9	7.3	517	7.9	1.442
4,842	6.1	5.7	2.8	4.5	719	1,044	18.0
NA	10.7	NA	8.4	.0	5	NA	2.7
25,194	4.3	5.0	.0	4.1	3,071	4,781	18.8
6,821	2.7	4.6	.9	4.3	190	470	8.4
6,458	6.5	9.8	6.3	9.5	16	191	.8
79,027	9.9	10.6	5.3	8.8	6,126	13,237	10.7
857	3.2	4.9	3.1	4.6	3	46	.9
1,120,944	9.1	9.4	3.1	7.6	300,082	405,339	19.6

Quarter ending	Special allowance rate (in percent)		Average T-bill rate <sup>a</sup>
	for 7% loans	for 9% loans	
09-30-69	2		
12-31-69	2 1/4		
03-31-70	2		
06-30-70	2 1/4		
09-30-70	2		
12-31-70	1 1/2		
03-31-71	1		
06-30-71	1 1/4		
09-30-71	1 1/4		
12-31-71	3/4		
03-31-72	3/4		
06-30-72	3/4		
09-30-72	3/4		
12-31-72	3/4		
03-31-73	1		
06-30-73	1 3/4		
09-30-73	2 1/2		
12-31-73	2 1/2		
03-31-74	2 1/4		
06-30-74	3		
09-30-74	3		
12-31-74	3		
03-31-75	2 1/4		
06-30-75	1 1/2		
09-30-75	2 1/4		
12-31-75	1 7/8		
03-31-76	1 1/4		
06-30-76	1 1/2		
09-30-76	1 7/8		
12-31-76	1 1/2		
03-31-77	1 1/4		4.74
06-30-77	1 1/2		4.97
09-30-77	2 1/4 <sup>b</sup>		5.65
12-31-77	2 7/8		6.32
03-31-78	3 1/8		6.62
06-30-78	3 1/4		6.70
09-30-78	4 1/8		7.53
12-31-78	5 5/8		9.06
03-31-79	6 1/4		9.72
06-30-79	4 <sup>c</sup>		9.78
09-30-79	6 5/8		10.02
12-31-79	9 <sup>d</sup>		12.40
03-31-80	10 7/8		14.28
06-30-80	6 3/8		9.84
09-30-80	6 3/8		9.78
12-31-80	11	9	14.42

**Guaranteed Student Loan Program\***  
**Table of Quarterly Special Allowance Rates**  
Historically through 9/30/85  
(in percent)

Special allowance rate—Rounded <sup>a</sup>		Special allowance rate—Not Rounded <sup>b</sup>					Average T-bill rate
for 7% loans	for 9% loans	for 7% loans	for 8% loans	for 9% loans	for 12% loans	for 14% loans	
9	7	8.92		6.92	0	1.92	12.42
10 1/8	8 1/8	10.06		8.06	0	3.06	13.56
9 1/2	7 1/2	9.46		7.46	0	2.46	12.96
6 3/8	4 3/8	6.36		4.36	0	0	9.86
4 3/4	2 3/4	4.72		2.72	0	0	8.22
5	3	4.89		2.89	0	0	8.39
5 3/8	3 3/8	5.28		3.28	.28	0	8.78
6 1/8	4 1/8	6.05	5.05	4.05	1.05	0	9.55
5 3/4	3 3/4	5.66	4.66	3.66	.66	0	9.16
6 1/8	4 1/8	6.02	5.02	4.02	1.02	0	9.52
6 3/4	4 3/4	6.74	5.74	4.74	1.74	0	10.24
7 3/8	5 3/8	7.28	6.28	5.28	2.28	.28	10.78
5 3/4	3 3/4	5.71	4.71	3.71	.71	0	9.21
5	3	4.96	3.96	2.96	0	0	8.46
4 3/8	2 3/8	4.28	3.28	2.28	0	0	7.78
3 7/8	1 7/8	3.84	2.84	1.84	0	0	7.34

\* Does not include special allowance rates for Tax Exempt Lenders.

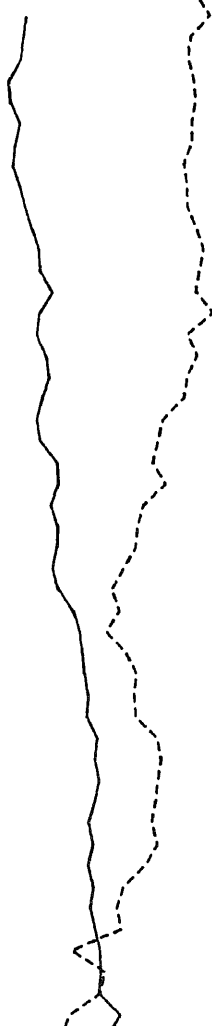
<sup>a</sup> Special allowance rate for loans made before October 1, 1981.

<sup>b</sup> Special allowance rate for loans made on or after October 1, 1981.

# T-Bill Rates FY 1984 - 1985

FY 84

FY 85



52

39

26

13

WEEK

## Description of the NDSL Program

**Statutory authority.** The NDSL Program is authorized by Title IV, Part E, of the Higher Education Act of 1965 (Public Law 89-329), as amended. The program is a continuation of the National Defense Student Loan Program that was authorized by Title II of the National Defense Education Act of 1958. The program was transferred to the Higher Education Act by the Education Amendments of 1972 (P.L. 92-318).

**Purpose.** The NDSL Program helps postsecondary schools provide low-interest loans to students who have financial need, to help these students pay for their postsecondary education.

**Eligibility of students.** To receive a loan, a student must meet the requirements listed in Part 1, in the section called "What students are eligible." A school may not make a loan to a student if there is evidence that the student is not willing to repay it. If the student is delinquent in repaying an earlier loan or has a history of not paying his or her debts, this can be considered evidence that the student is not willing to repay the loan.

**Eligibility of schools.** To participate in the NDSL Program, a school must meet the requirements listed in Part 1, in the section called "What institutions are eligible."

**Funding of the program.** NDSL funds are a combination of capital from the Federal Government and from participating schools. In general, the schools should contribute one ninth of what the Federal Government contributes.

Because Congress annually appropriates a Federal contribution to be used during the following academic year, the program is said to be "forward-funded."

The Federal Government determines each State's share of the Federal contribution by comparing the number of full-time

Education for NDSL funds.

**Application procedures for students.** Students must apply directly to their schools. Each school specifies which application form its students must use. The individual schools also determine which students are eligible to receive NDSLs and how much they are eligible to receive. The schools do this by using a need analysis system or calculation method that is approved by the Secretary of Education.

**Amounts of the loans.** The total amount that a student may borrow under the NDSL Program depends on the student's year in school:

- An undergraduate student who has not yet completed 2 years of a bachelor's degree program may borrow up to \$3,000.
- An undergraduate student who has completed 2 years of a bachelor's degree program and has achieved third-year status may borrow up to \$6,000. This \$6,000 limit includes all the money the student has ever borrowed under the NDSL Program.
- A graduate or professional student may borrow up to \$12,000. This \$12,000 limit includes all the money the student has ever borrowed under the NDSL Program.

**Use of NDSL funds:** A school normally uses the major portion of the NDSL funds it receives to make loans.

Each year a school may use a limited portion of its NDSL funds to cover part of the cost of administering the Campus-Based and Pell Grant programs. The amount of its NDSL funds that a school may spend on administrative costs equals:

- 5 percent of the first \$2,750,000 that the school spends to administer the Campus-Based programs (NDSL, SEOG, and CWS)

plus

plus

- 3 percent of the amount it spends that is greater than \$5,500,000

A school may also use a portion of its NDSL funds to pay for collecting loans made under the NDSL Program. For example, schools may use NDSL funds to pay for telephone calls they make to locate borrowers. Each school is allowed to pay a reasonable amount from NDSL funds to use a commercial skip-tracing or collection agency to collect its loans.

If a school performs its own collections, it may pay its actual expenses (including salaries) from NDSL funds, as long as these expenses are not more than the reasonable amount it is allowed to pay for using a commercial collection agency. Schools may use NDSL funds to pay for reasonable litigation expenses. NDSL funds may not be used for collection costs that a borrower pays for.

**Interest.** The interest rate on NDSLs is 5 percent. Interest starts to accrue after the grace period expires. Interest does not accrue during any period when the NDSL Program allows the student to defer (or put off) repaying a loan.

**Repayment.** A borrower must start repaying an NDSL within a certain period after he or she stops attending an eligible school at least half time. Depending on when the loan was made, that period is either 6 months or 9 months. (The borrower may ask to start repaying the loan earlier.) Normally, the borrower must fully repay a loan within 10 years. But this 10-year period is automatically extended if the borrower is granted (1) a deferment (when the NDSL Program allows the borrower to put off making payments) or (2) various types of deferments (when the school that made the loan allows the borrower to stop or reduce payments).

A borrower must make payments once a month, every 2 months, or four times a year. The school decides on the payment schedule. Normally, borrowers pay off their loans in equal installments. However, a borrower may ask to pay in graduated installments instead. The Secretary of Education must approve repayment schedules that involve

If a borrower fails to make a scheduled payment, the school may declare the entire unpaid principal plus interest immediately due and payable.

**Authorized periods of deferment.** Under certain conditions, the NDSL Program allows borrowers to put off (or defer) repaying their loans. During an authorized period of deferment, interest does not accrue on a loan.

A borrower may defer repaying a loan:

- for an **unlimited** time while the borrower is studying at least half time at a postsecondary school
- for an additional "grace period" immediately after the borrower stops attending a postsecondary school at least half time. The grace period is **6 months** after completion of studies, if the loan was made on or after October 1, 1980.
- for up to **3 years** while the borrower is
  - serving full time on active duty status in the U.S. Armed Forces or as an officer in the Commissioned Corps of the Public Health Service
  - serving full time as a volunteer under the Peace Corps Act or in an ACTION program under Title I of the Domestic Volunteer Service Act of 1973
  - serving full time as a volunteer for a tax-exempt organization, if the Secretary of Education has determined that volunteer service for that organization is comparable to service in the Peace Corps or an ACTION program
  - temporarily totally disabled (as established by a physician's affidavit) or unable to work because he or she is caring for a spouse who is temporarily totally disabled

problems, the school may agree to grant the borrower deferment payments. This means that the school lets the borrower temporarily stop making payments, lets the borrower have more time to make payments, or lets the borrower make smaller payments than were previously scheduled. Deferment is granted for limited periods of time. Interest continues to accrue during periods of deferment. However, in the NDSL, these periods are counted as part of the 10-year period within which the borrower must repay loan.

**Cancellation.** If a loan is cancelled, the borrower is no longer obligated to make any more payments on it. An NDSL is cancelled if the borrower dies or becomes totally and permanently disabled. Under the NDSL Program, part or all of a loan may also be cancelled if the borrower performs service that is specified by the NDSL regulations. Certain types of service in the military, as a teacher, or in the Head Start program may qualify. Over the years, several amendments have been made regarding the requirements that a borrower must meet for his or her NDSL to be cancelled. These requirements are therefore different for loans taken out at different times.

### **Statistical summary of the NDSL Program**

The tables on the following pages provide data about the funding of the NDSL Program, expenditures under the program, the number and size of loans awarded, recipients of loans, participating schools, and default rates. The title of each table is listed in the table of contents at the beginning of Part 3.

**NDSL**  
**Selected Program Statistics**  
**Fiscal Years 1982-84**

Amounts, recipients, loan size, participating institutions	FY 1982	FY 1983 (est.)	FY 1984
Total capital contribution (\$) <sup>a</sup>	178,560,000	178,560,000	161,000,000
Additional capital contribution (\$)	19,644,000	27,281,000	16,000,000
Cancellations (\$)	488,463,000	523,899,000	565,000,000
Reimbursements for cancellations (\$)	21,292,000	21,700,000	21,000,000
Administrative expenses (\$)	29,334,000	33,603,000	30,000,000
Loan funds available (\$)	678,625,000	717,837,000	734,000,000
Funds advanced to students (\$)	596,838,656	682,809,000	716,000,000
Number of recipients	674,901	776,000	800,000
Average loan (\$)	886	880	880
Number of participating institutions	3,337	3,338	3,338

These figures do not include funds appropriated to reimburse institutions for Teacher/Military Cancellations.

State	Federal funds allocated (in dollars)
Alabama	\$ 2,506,020
Alaska	155,127
Arizona	2,201,283
Arkansas	1,318,420
California	17,068,603
Colorado	2,322,245
Connecticut	2,119,969
Delaware	395,138
District of Columbia	1,219,903
Florida	4,413,586
Georgia	2,716,203
Hawaii	547,824
Idaho	658,256
Illinois	7,839,794
Indiana	4,131,351
Iowa	2,826,931
Kansas	1,432,429
Kentucky	1,845,390
Louisiana	2,580,779
Maine	1,530,441
Maryland	2,479,463
Massachusetts	7,224,207
Michigan	5,579,530
Minnesota	3,514,376
Mississippi	1,574,485
Missouri	3,720,863
Montana	466,754
Nebraska	1,484,652
Nevada	254,045
New Hampshire	1,266,551
New Jersey	3,354,941
New Mexico	980,214
New York	15,079,645
North Carolina	3,803,724
North Dakota	572,717
Ohio	7,580,313
Oklahoma	2,323,028
Oregon	2,962,044
Pennsylvania	8,038,646
Puerto Rico	1,713,473
Rhode Island	887,110
South Carolina	1,653,772
South Dakota	737,579
Tennessee	2,705,894
Texas	6,854,175

**NDSL Loan Volume**  
**Cumulative through June 30, 1983**

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Number of borrowers	7,363,428
Amount of loans (\$)	8,664,130,876
Average loan (\$)	1,177

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# NDSL Expenditures, Recipients, and Average Award by Type of Institution

## Award Periods 1981-82 through 1983-84\*

	1981-1982			1982-1983			1983-1984 (est.) <sup>a</sup>	
	Expenditures (\$ thousand)	Number of recipients	Average award (\$)	Expenditures (\$ thousand)	Number of recipients	Average award (\$)	Expenditures (\$ thousand)	Number of recipients
Public	265,002	326,981	810	283,029	336,707	841		
Private	18,719	30,632	611	17,262	29,379	584		
Total	283,721	357,613	793	300,291	366,086	820		
Nonprofit								
Public	244,000	257,820	946	248,093	248,272	1,001		
Private	5,930	7,490	792	7,017	8,227	856		
Total	249,930	265,310	942	255,110	256,499	996		
Secretary: Total	46,536	61,144	761	41,438	52,316	808		
(all types)	580,187	684,067	848	596,839	674,901	886	682,809	776,000

\*These data were collected from the annual fiscal-operations reports submitted to the Department of Education by participating institutions.

†Data by type of institution is not available.

# **Status of NDSL Defaults** **Award Period 1982-83**

Number of students		Amount outstanding on loans in default (\$)		Matured principal (\$)		Default rate (%)	
Default	Potential loss	Default	Potential loss	Default	Potential loss	Default	Potential loss
289,479	461,940	297,273,372	451,739,287	3,403,720,767	3,403,720,767	8.73	13.27
91,315	174,875	50,622,499	94,495,393	288,814,505	288,814,505	17.52	32.71
380,794	636,715	347,895,871	546,234,680	3,692,535,272	3,692,535,272	9.42	14.79
206,049	319,668	239,084,251	357,267,473	2,932,171,079	2,932,171,079	8.15	12.18
20,207	29,210	13,115,806	19,632,947	84,484,789	84,484,789	15.52	23.23
226,256	348,878	252,200,057	376,900,420	3,016,655,868	3,016,655,868	8.36	12.49
98,864	174,505	66,634,312	118,097,882	323,750,784	323,750,784	20.58	36.47
1,544	3,360	1,294,542	2,717,257	11,103,645	11,103,645	11.65	24.47
707,458	1,163,458	668,024,782	1,043,950,239	7,044,045,569	7,044,045,569	9.48	14.82

# NDSL

## Selected Historical Statistics

### Fiscal Years 1959-1985

Appropriation—FCC <sup>a</sup> (\$ thousand)	Allocation—FCC <sup>b</sup> (\$ thousand)	Loans to students <sup>c</sup> (\$ thousand)	Number of borrowers	Average loan (\$)	Num partic insti
30,883	30,805	9,502	24,831	383	1
40,393	40,383	50,152	115,450	434	1
57,474	57,454	70,962	151,068	470	1
73,845	73,837	89,102	186,465	478	1
90,000	90,048	113,732	216,930	478	1
121,168	108,469	119,536	246,840	484	1
145,000	130,014	166,608	319,974	522	1
179,300	179,285	214,333	377,722	568	1
190,000	176,238	221,600	395,000	561	1
190,000	178,376	233,700	429,000	521	1
190,000	182,904	240,839	455,998	540	1
188,785	188,587	240,541	452,144	532	1
236,500	226,879	311,965	547,307	570	2
309,600	309,600	397,749	645,696	616	2
286,000	286,000	433,000	655,000	661	2
286,000	285,850	440,000	680,000	647	2
321,000	321,000	460,000	690,000	667	2
321,000	320,766	559,487	764,591	732	3
310,500	321,000	614,868	795,134	773	3
310,500	307,732	640,424	808,616	792	3
310,500	308,708	645,689	953,190	677	3
286,000	284,782	693,520	813,372	853	3
186,000	181,924	580,188	648,067	848	3
178,560	174,998	596,839	674,901	886	3
est.) 178,560	174,990	682,809	776,000	880	3
est.) 161,060	161,000	716,000	813,600	880	3
proj.) 190,000	188,976	787,600	895,000	880	3

Federal capital contribution (FCC) does not include funds appropriated to reimburse institutions for Teacher/Military Cancellation.

is the amount added to institutions' loan funds from the FCC appropriation.

as to students are made primarily from funds comprised of the FCC, institutional shares, collections from borrowers, and Federal Government grants for Teacher/Military Cancellation.

**NDSL Awards and Recipients  
by Enrollment Status, Dependency Status, and Income Level  
Loan Period 1982-83**

Status and income level <sup>a</sup>	Share of recipients		Share of grants		Average grant
	Number (thousands)	% of total number	Amount (\$ million)	% of total amount	
at least half time					
Undergraduate dependent					
Less than \$5,999	56	8.3	40.8	6.8	728
\$6,000 to \$11,999	67	9.9	51.8	8.6	775
\$12,000 to \$17,999	79	11.7	64.4	10.7	810
\$18,000 to \$23,999	79	11.7	65.7	11.0	831
\$24,000 to \$29,999	70	10.3	57.5	9.6	826
\$30,000 or more	85	12.6	71.0	11.8	831
Undergraduate independent	174	25.8	146.3	24.4	838
Graduate dependent	63	9.3	99.3	16.6	1,584
Total recipients	675	100.0	596.8	100.0	886

<sup>a</sup> Data by family income level is available only for dependent undergraduate students who attend at least half time.

# College Work-Study (CWS) Program

## Description of the CWS Program

**Statutory authority.** The CWS Program is currently authorized by Title IV, Part C, of the Higher Education Act of 1965 (Public Law 89-329), as amended. The program was originally authorized by the Economic Opportunity Act of 1964. The Higher Education Amendments of 1968 (P.L. 90-575) transferred the statutory authority for the program to the Higher Education Act.

**Purpose.** The CWS Program provides part-time employment for students who need money to pay for their postsecondary education.

**Eligibility of students.** To get a part-time job under the CWS Program, a student must meet the requirements listed in Part 1, in the section called "What students are eligible."

Schools may use up to ten percent of their CWS funds for students who attend less than half time.

**Eligibility of schools.** To participate in the CWS Program, a school must meet the requirements listed in Part 1, in the section called "What institutions are eligible."

Postsecondary vocational schools may be eligible to participate in the CWS Program. These schools must provide vocational education to people who are preparing to enter the labor market.

Schools that are located outside of American Samoa or the Trust Territory of the Pacific Islands may apply for special CWS funds to award to residents of American Samoa or the Trust Territory of the Pacific Islands.

Several schools may join together into a consortium and have a nonprofit agency coordinate the off-campus part of their CWS programs. The nonprofit agency locates off-campus jobs, places students in these jobs, and

Department of Education may allow a school to use a Federal share greater than 80 percent. When the Department does this, it grants the school a waiver and reduces the school's share to less than the usual 20 percent.) A school may choose to stretch its Federal dollars by using a Federal share of less than 80 percent and increasing its own share.

Because Congress annually appropriates funds to be used during the following academic year, the program is said to be "forward-funded."

One percent of the Federal appropriation is reserved for American Samoa, Guam, the U.S. Virgin Islands, and the Trust Territory of the Pacific Islands. The rest is divided among the 50 States, the District of Columbia, and Puerto Rico. The amount that each of these jurisdictions receives is based on the number of people living there who are:

- full-time postsecondary students
- high school graduates
- related children under 18 whose families have annual incomes of less than \$3,000 per year.

The amount of each jurisdiction's portion of CWS funds that is given to any particular school in that jurisdiction depends on the information the school provides when it applies to the Department of Education.

The share a school contributes to CWS funds can come from any source except funds that the school receives from the Federal Government. The school's share can come entirely from its own funds, partly from its own funds and partly from other funds, or entirely from other funds (such as funds that an off-campus agency provides).

**Application procedures for schools.** Every year, schools must use the combined "Fiscal Operations Report and Application to Participate in Federal Student Financial Aid Programs" (FISAP) to apply to the Department of

school should consider the student's financial need, the number of hours per week that the student can work, the amount of time the student will be employed, the length of the student's academic program, the wage rate at which the student will be paid, and the amount of other financial assistance the student may receive. The wage rate should reflect the duties and responsibilities of the particular job. Wages must at least equal the minimum wage. There is no maximum wage rate.

**Use of CWS funds.** A school normally uses the major portion of the CWS funds that it receives as wages for students employed under the CWS program. CWS jobs may be located on campus (except at proprietary schools) or off campus at Federal, State, or local public agencies or at private nonprofit organizations.

If a school administers a Community Service Learning Program (CSLP), the CSLP employs some CWS students. In a CSLP, students work to develop, improve, or expand services for low-income individuals and families, and to solve problems that low-income people have. A CSLP provides direct and tangible services to improve the quality of life for community residents. Students work at jobs that are related to their educational or career goals. CSLP jobs may be related to fields such as health care, education, welfare, social services, public safety, and crime prevention and control.

Each year a school may use a limited portion of its CWS funds to cover part of the cost of administering the Campus-Based programs. The amount of its CWS funds that a school may spend on administrative costs equals:

- 5 percent of the first \$2,750,000 that the school spends to administer the Campus-Based programs (NDSL, SEOG, and CWS)

plus

- 4 percent of the amount it spends that is greater than \$2,750,000 but less than \$5,500,000

plus

A school may transfer up to 10 percent of the CWS funds it receives for an award period to its SEOG funds for the same period. (A school may also transfer up to 10 percent of the SEOG funds it receives for an award period to its CWS funds for the same period.)

A school may use either 10 percent of the CWS funds it receives or \$25,000, whichever is less, to operate or expand its Job Location and Development Program. This program expands off-campus job opportunities for all students who want jobs, regardless of their financial need.

### **Statistical summary of the CWS Program**

The tables on the following pages provide data about the funding of the CWS Program, expenditures under the program, numbers and amounts of awards, and participating schools. The title of each table is listed in the table of contents at the beginning of Part 3.

**CWS**  
**Selected Program Statistics**  
**Fiscal Years 1982-1984**

<b>Funds, recipients, annual earnings, and participating institutions</b>	<b>FY 1982</b>	<b>FY 1983 (est.)</b>	<b>FY 1984 (proj.)</b>
Appropriation—Federal share (\$) <sup>a</sup>	528,000,000	590,000,000	555,000,000
Institutional share (\$)	148,698,000	163,654,000	155,400,000
Less administrative expenses (\$)	26,306,000	31,096,000	28,000,000
Less funds used for Job Development (\$)	5,087,000	5,697,000	5,400,000
Less adjustments (\$) <sup>b</sup>	15,722,000	20,881,000	18,000,000
<b>Total funds available (\$)</b>	<b>629,583,000</b>	<b>695,980,000</b>	<b>659,000,000</b>
<b>Total funds used (\$)</b>	<b>614,861,000</b>	<b>690,500,000</b>	<b>649,000,000</b>
<b>Total number of recipients</b>	<b>720,097</b>	<b>784,659</b>	<b>737,000</b>
<b>Average annual earnings (\$)</b>	<b>854</b>	<b>880</b>	<b>880</b>
<b>Number of participating institutions</b>	<b>3,300</b>	<b>3,392</b>	<b>3,471</b>

<sup>a</sup> This includes Federal share funds that are carried over from previous years.

<sup>b</sup> These adjustments are due to transfer of funds between SEOG and CWS.

State	Federal funds allocated
Alabama	\$ 11,006,872
Alaska	557,737
Arizona	5,973,415
Arkansas	5,804,492
California	46,881,877
Colorado	6,285,491
Connecticut	6,558,076
Delaware	1,286,808
District of Columbia	4,339,185
Florida	16,463,303
Georgia	11,791,321
Hawaii	1,748,199
Idaho	1,746,298
Illinois	21,348,954
Indiana	10,112,392
Iowa	7,022,515
Kansas	5,391,113
Kentucky	8,970,372
Louisiana	10,687,764
Maine	6,142,165
Maryland	8,520,864
Massachusetts	31,973,412
Michigan	17,977,877
Minnesota	12,235,884
Mississippi	8,982,438
Missouri	10,687,746
Montana	2,418,877
Nebraska	3,631,401
Nevada	929,154
New Hampshire	4,665,873
New Jersey	12,407,020
New Mexico	5,149,114
New York	44,906,146
North Carolina	14,015,748
North Dakota	2,492,956
Ohio	20,859,539
Oklahoma	6,679,024
Oregon	9,016,653
Pennsylvania	28,234,088
Puerto Rico	13,235,647
Rhode Island	4,784,692
South Carolina	8,156,599
South Dakota	3,393,636
Tennessee	10,375,825
Texas	30,605,708
Utah	3,191,836
Vermont	4,207,804

# CWS Expenditures, Recipients, and Average Award by Type of Institution

## Award Periods 1981-82 through 1983-84\*

Type of Institution	1981-1982			1982-1983			1983-1984 (est.)		
	Expenditures (\$ thousand)	Number of recipients	Average award (\$)	Expenditures (\$ thousand)	Number of recipients	Average award (\$)	Expenditures (\$ thousand) <sup>a</sup>	Number of recipients <sup>a</sup>	Average award (\$)
Public	263,328	301,597	873	261,198	296,798	880			
Private	97,349	118,048	825	93,416	112,109	833			
Total	360,677	419,645	859	354,614	408,907	867			
State	248,063	296,800	836	244,820	289,251	846			
Local	9,664	14,982	645	9,587	14,664	654			
Total	257,727	311,782	827	254,407	303,915	837			
Secretary: Total	5,589	7,919	706	5,840	7,275	803			
(all types)	623,993	739,346	844	614,861	720,097	854	690,500	784,659	

\*These data were collected from the annual fiscal-operations reports submitted to the Department of Education by participating institutions.

Breakout by type of institution is not available.

## CWS Selected Historical Statistics

### Fiscal Years 1965-1985

	Appropriation (\$ thousand)	Allocation <sup>a</sup> (\$ thousand)	Total funds awarded <sup>b</sup> (\$ thousand)	Number of recipients	Average award (\$)	Number participating institutions
	55,710	54,865	33,350	115,000	290	1,000
	99,123	99,966	104,500	275,000	380	1,500
	134,100	134,099	127,500	300,000	425	1,700
	139,900	133,750	143,491	352,436	410	1,800
	139,900	143,434	173,525	385,000	450	2,100
	152,460	146,539	200,300	425,000	470	2,300
	158,400	312,692	318,700 <sup>c</sup>	600,000 <sup>c</sup>	640 <sup>c</sup>	2,500
	426,600	272,175				
	270,200	270,200	296,000	556,000	532	2,600
	270,200	270,200	295,000	570,000	518	2,900
	420,000	420,000	295,000	570,000	518	3,100
	390,000	390,000	436,100	696,661	626	3,200
	390,000	497,615	469,128	845,275	555	3,200
	435,000	454,001	488,468	852,475	573	3,100
	550,000	547,023	595,384	922,621	646	3,200
	550,000	547,721	660,161	819,093	806	3,100
	550,000	545,998	623,993	739,346	844	3,200
	528,000	523,910	614,861	720,097	874	3,300
(est.)	590,000	584,043	690,500	784,659	880	3,300
(est.)	555,000	553,000	649,000	737,000	880	3,400
(proj.)	592,500	590,399	693,000	788,000	880	3,500

For some years, the allocation is greater than the appropriation. This reflects carryover from the previous year.

The funds awarded include the 20% that is contributed by the institutions.

The grant period is eighteen months—January 1, 1971, through June 30, 1972.

Notes:

1965 through FY 1973: The figures were taken from projected data in the BPE 1976 Factbook.

1974 through FY 1983: The figures were taken from the "Summary of Fiscal Operations," which is compiled by OSEA's Division of Financial Management.

**CWS Awards and Recipients**  
**by Enrollment Status, Dependency Status, and Income Level**  
**Award Period 1982-83**

Status and income level <sup>a</sup>	Share of recipients		Share of grants		Average gr
	Number (thousands)	% of total number	Amount (\$ million)	% of total amount	
at least half time					
Undergraduate dependent					
\$0 to 5,999	89	12.3	62.8	10.2	708
\$6,000 to \$11,999	86	11.9	68.8	11.1	797
\$12,000 to \$17,999	90	12.5	72.6	11.8	803
\$18,000 to \$23,999	86	11.8	68.9	11.2	805
\$24,000 to \$29,999	74	10.2	58.4	9.4	788
Over \$30,000	93	12.8	70.6	11.4	760
Undergraduate independent	164	22.8	155.0	25.2	943
Graduate	37	5.2	57.4	9.3	1,524
at less than half time: Total (both dependent and independent, undergraduate and graduate)	1	.06	.3	.1	589
Total (all recipients)	720	100.0	614.8	100.0	853

<sup>a</sup> Breakout by family income level is available only for dependent undergraduate students who attend at least half time.

Source: 1984 Campus-based Programs Annual Report.

# Supplemental Educational Opportunity Grant (SEOG) Program

## Description of the SEOG Program

**Statutory authority.** The SEOG Program is authorized under Title IV of the Higher Education Act of 1965 (Public Law 89-329), as amended. The program was initially authorized and incorporated into the Higher Education Act by the Educational Amendments of 1972 (P.L. 92-318). It superseded the other Educational Opportunity Grant Program that was established in 1965 by the Higher Education Act.

**Purpose.** The SEOG Program provides grants to undergraduate students who need money to pay for their postsecondary education.

**Eligibility of students.** To receive an SEOG grant, a student must demonstrate financial need. To determine whether a student has financial need, the student's school uses a system of need analysis that is approved by the Secretary of Education. Students must also meet the other requirements listed in Part 1, in the section called "What students are eligible."

**Eligibility of schools.** To participate in the SEOG Program, a school must meet the requirements listed in Part 1, in the section called "What institutions are eligible."

**Funding of the program.** The SEOG Program is funded entirely by the Federal Government. Because Congress annually appropriates funds to be used during the following academic year, the program is said to be "forward-funded."

The Federal Government determines each State's share of the total Federal contribution by considering the following factors:

- (1) that State's share of the total number of full-time undergraduate students enrolled in the United States and
- (2) that State's share of the total full-time equivalent of part-time undergraduate students enrolled in the United States. The full-time equivalent of part-time undergraduate students is a number that shows how many

year (CY) funds should be used for any SEOG grants that the student receives in later years (these are called CY grants). However, schools may borrow from their IY funds to make CY grants and from their CY funds to make IY grants.

A school may transfer up to 10 percent of the SEOG funds it receives for an award period to its CWS funds for the same period. A school may also transfer up to 10 percent of the CWS funds it receives for an award period to its SEOG funds for the same period. The SEOG funds that a school transfers to its CWS Program may be IY funds, CY funds, or a combination of both. All of the CWS funds that a school transfers to its SEOG Program may be used as IY funds; all may be used as CY funds; or part may be used as IY and part as CY funds.

**Application procedures for schools.** Every year, schools must use the combined "Fiscal Operations Report and Application to Participate in Federal Student Financial Aid Programs" (FISAP) to apply to the Department of Education for SEOG funds.

**Application procedures for students.** Students must apply directly to their schools. Each school specifies which application form its students must use. The individual schools also determine which students are eligible to receive SEOG grants and how much they are eligible to receive.

**Amounts of the grants.** Under the SEOG Program, a student may receive a maximum of \$2,000 per academic year. The minimum grant for an academic year is \$200. A student may receive grants only while he or she is pursuing the course of study that leads to his or her first bachelor's degree. Normally, the student may receive grants for no more than 4 academic years.

**Use of SEOG funds.** A school normally uses the major portion of the SEOG funds it receives for grants.

Each year a school may use a limited portion of its SEOG funds to cover part of the cost of administering the Campus-Based programs. The amount of its SEOG funds that a school may spend on administrative costs equals:

plus

- 4 percent of the amount it spends that is greater than \$2,750,000 but less than \$5,500,000

plus

- 3 percent of the amount it spends that is greater than \$5,500,000

A school may transfer up to 10 percent of the SEOG funds it receives for an award period to its CWS funds for the same period. Transferring funds between the SEOG and CWS programs is discussed in more detail under "Funding of the program," above.

### Statistical summary of the SEOG Program

The tables on the following pages provide data about the funding of the SEOG Program, expenditures under the program, the number and size of grants awarded, recipients of the grants, and participating schools. The title of each table is listed in the table of contents at the beginning of Part 3.

**SEOG**  
**Selected Program Statistics**  
**Fiscal Years 1982-1984**

Programs, recipients, grant size, participating institutions	FY 1982	FY 1983 (est.)	FY 1984 (pr)
Appropriation (\$)	355,400,000	355,400,000	375,000,000
Payments (\$) <sup>a</sup>	4,670,000	2,734,000	15,500,000
Administrative expenses (\$)	14,723,000	12,611,000	15,500,000
Funds available (\$)	345,347,000	345,523,000	359,000,000
Funds used for Initial Year (IY) (\$)	194,822,000	191,072,000	205,000,000
Number of IY recipients	391,955	378,422	391,955
Average grant (\$)	497	509	518
Funds used for Continuing Year (CY) (\$)	147,842,000	150,128,000	155,000,000
Number of CY recipients	248,697	241,942	248,697
Average grant (\$)	594	672	623
Funds used (\$)	342,664,000	341,200,000	360,000,000
Number of recipients	640,650	620,364	640,650
Average grant (\$)	535	550	562
Number of participating institutions	4,200	4,224	4,200

<sup>a</sup> These adjustments are due to transfer of funds between SEOG and CWS.

# SEOG Funds Allocated by State

Fiscal Year 1984

(in dollars)

State	Federal funds allocated
Alabama	\$ 5,897,069
Alaska	348,987
Arizona	5,035,154
Arkansas	2,473,688
California	37,168,126
Colorado	4,557,459
Connecticut	5,189,031
Delaware	886,429
District of Columbia	2,736,588
Florida	10,608,272
Georgia	5,964,659
Hawaii	1,244,697
Idaho	1,182,326
Illinois	16,342,719
Indiana	7,680,575
Iowa	5,242,500
Kansas	3,702,582
Kentucky	3,987,345
Louisiana	4,485,902
Maine	5,228,657
Maryland	5,852,037
Massachusetts	20,624,335
Michigan	13,714,432
Minnesota	10,024,793
Mississippi	4,618,127
Missouri	6,404,129
Montana	996,357
Nebraska	2,476,796
Nevada	616,606
New Hampshire	3,370,633
New Jersey	8,258,610
New Mexico	2,649,055
New York	29,270,555
North Carolina	8,894,743
North Dakota	2,189,437
Ohio	14,201,637
Oklahoma	4,031,430
Oregon	7,476,619
Pennsylvania	21,180,056
Puerto Rico	5,784,080
Rhode Island	3,697,870
South Carolina	4,434,015
South Dakota	2,286,667

# SEOG Expenditures, Recipients, and Average Award by Type of Institution

## Award Periods 1981-1982 through 1983-1984\*

Type of Institution	1981-1982			1982-1983			1983-1984 (est.)		
	Expenditures (\$ thousand)	Number of recipients	Average award (\$)	Expenditures (\$ thousand)	Number of recipients	Average award (\$)	Expenditures (\$ thousand) <sup>a</sup>	Number of recipients <sup>a</sup>	Average award (\$)
Public									
1981-1982	137,359	246,638	557	129,967	244,081	532			
1982-1983	45,804	106,207	431	42,024	102,808	409			
Total	183,163	352,845	519	171,991	346,889	496			
Private									
1981-1982	143,530	218,196	658	136,548	205,693	664			
1982-1983	6,645	14,539	457	6,404	14,269	449			
Total	150,175	232,735	645	142,952	219,963	650			
Proprietary: Total	28,185	73,313	384	27,721	73,799	376			
Total (all types)	361,523	658,893	549	342,664	640,650	535	341,200	620,364	

\*These data were collected from the annual fiscal-operations reports submitted to the Department of Education by participating institutions.

Breakout by type of institution is not available.

**SEOG**  
**Selected Historical Statistics\***  
**Fiscal Years 1966-1985**

	<b>Appropriation (\$ thousand)</b>	<b>Allocation (\$ thousand)<sup>a</sup></b>	<b>Expenditures (\$ thousand)</b>	<b>Number of recipients</b>	<b>Average grant (\$)</b>	<b>Number of partici institutions</b>
	58,000	57,923	( <sup>b</sup> )	( <sup>b</sup> )	( <sup>b</sup> )	( <sup>b</sup> )
	112,000	108,772	46,803	123,165	380	1,383
	140,600	136,608	83,009	202,055	410	1,615
	124,600	164,000	113,281	258,175	439	1,780
	164,600	164,600	133,614	253,421	527	1,950
	167,700	177,337	153,159	297,335	515	2,100
	220,300	210,300	173,474	320,369	541	2,200
	210,300	210,300	189,000	331,000	571	2,302
	210,300	210,300	200,000	395,000	506	2,872
	240,300	240,300	201,000	390,000	513	3,258
	240,093	240,093	243,792	449,231	543	3,406
	249,600	250,093	243,529	499,034	489	3,619
	270,000	267,899	266,232	510,023	522	3,723
	340,100	338,420	332,792	595,268	559	3,750
	370,000	368,810	367,817	716,522	513	3,723
	370,000	366,990	361,523	658,893	548	3,750
	355,400	351,994	342,664	640,650	535	4,200
(est.)	355,400	352,998	341,200	620,364	550	4,224
(est.)	375,000	374,000	360,000	655,000	550	4,319
(proj.)	412,500	411,471	396,000	720,000	550	4,445

The SEOG Program began in 1973. Data shown for 1966-1972 are for the old Educational Opportunity Grant Program, which the program superseded.

These figures include funds for training.

Data not available.

Notes:

1966 through FY 1973: The figures were taken from projected data in the BPE 1976 Factbook.

1974 through FY 1983: The figures were taken from the "Summary of Fiscal Operations," which is compiled by OSFA's Division of Program Operations (DPO). The "Summary of Fiscal Operations" is based on reports submitted to the Department of Education by participating institutions.

**SEOG Awards and Recipients  
by Enrollment Status, Dependency Status, and Income Level  
Award Period 1982-1983**

Income level <sup>a</sup>	Share of recipients		Share of grants		Average grant (\$)
	Number (thousands)	% of total number	Amount (\$ million)	% of total amount	
Half time					
Dependent					
Under \$5,999	82	12.8	37.6	10.9	458
\$6,000 to \$11,999	83	13.0	43.6	12.7	523
\$12,000 to \$17,999	84	13.0	47.7	13.9	570
\$18,000 to \$23,999	72	11.2	42.5	12.4	592
\$24,000 to \$29,999	56	8.7	33.8	9.9	608
\$30,000 and over	55	8.6	34.9	10.1	628
Dependent (all income levels)	208	32.4	102	29.7	491
Half time: Total					
Dependent and independent)	1	.04	.9	.3	300
Total recipients)	641	100.0	343	100.0	534

<sup>a</sup>by family income level is available only for dependent students who attend at least half time. (All SEOG recipients are sophomores and juniors.)

# State Student Incentive Grant (SSIG) Program

## Description of the SSIG Program

**Statutory authority.** The SSIG Program is authorized by Title IV, Part A (Subpart 3), Section 415, of the Higher Education Act of 1965 (Public Law 89-329), as amended. It was initially authorized and incorporated into the Higher Education Act by the Education Amendments of 1972 (P.L. 92-318). The Higher Education Act was further amended by P.L. 94-482 in 1976, P.L. 95-43 in 1977, P.L. 95-566 in 1978, P.L. 96-96 in 1979, and P.L. 96-374 in 1980.

**Purpose.** The SSIG Program helps States provide grants to students who need money to pay for their postsecondary education. The program encourages States to establish and expand State grant programs for students who have substantial financial need.

**Eligibility of students.** To receive an SSIG grant, a student must demonstrate substantial financial need. Financial need is determined annually according to criteria that are established by the student's State and approved by the U.S. Secretary of Education. Students must also meet the other requirements listed in Part 1, in the section called "What students are eligible."

**Eligibility of schools.** All nonprofit postsecondary schools in a State must be eligible to participate in the SSIG Program, unless this participation violates the State's constitution or any State law that was enacted before October 1, 1978. Some States also give grants that students may use at proprietary schools (private schools that are run for profit) and at schools that are located in other States.

**Funding of the program.** SSIG funds are a combination of capital from the Federal Government and from the States. The Federal Government determines how much of the total Federal contribution to give to each State by comparing the number of postsecondary students enrolled in that State to the total number in the United States. The SSIG hold harmless amendment specifies that each State should

The amount that a State spends each year on SSIG grants must be:

- at least as much as the Federal contribution
- and ● at least as much as the average amount that the State spent per year during the 3 previous fiscal years.

**State administration procedures.** All SSIG funds that States receive must be used for grants. A State must use its own money to pay the costs of administering its SSIG Program.

In most States, particularly those that have well established State grant programs, the SSIG Program is centrally administered by the State. Students submit their applications directly to the State agency that is responsible for the SSIG Program. The agency processes applications, notifies students about their grants, verifies student attendance, pays grants to students, and keeps complete records on all the grants.

In a few States, particularly those that have relatively new State grant programs, the State agency shares certain functions with participating schools. In these States, the agency generally advances SSIG funds to schools on the basis of enrollment and/or need formulas. Students submit their applications to their schools. The schools process applications and recommend recipients to the State agency. After the State agency has approved the grants, schools award them and make payments from the SSIG funds that the agency has advanced to them.

**Application procedures for students.** A student applies to the State agency either directly or through his or her school. The State agency or the school specifies which application form to use. The State agency must formally approve each grant. The agency will approve a grant only if the grant is based on criteria of need that are established by the State and approved by the U.S. Secretary of Education.

## Statistical summary of the SSIG Program

The tables on the following pages provide data about the funding of the SSIG Program, expenditures under the program, the number and size of grants awarded, participating schools, and aid programs in participating States. The title of each table is listed in the table of contents at the beginning of Part 3.

**SSIG**  
**Selected Program Statistics**  
**Fiscal Years 1980-1985**

	FY 1980	FY 1981	FY 1982	FY 1983	FY 1984	FY 1985
Appropriation—Federal share (\$)	76,750,000	76,750,000	73,680,000	60,000,000	76,000,000	76,000,000
Maximum matching share (\$)	76,750,000	76,750,000	73,680,000	60,000,000	76,000,000	76,000,000
Funds available (\$)	153,500,000	153,500,000	147,360,000	120,000,000	152,000,000	152,000,000
Number of recipients	274,973	280,843	278,230	200,770	304,000	304,000
Average grant (est.) (\$)	556	529	528	597	500	500
Number of States in network	57	57	57	57	57	57

State	Federal funds allocated
Alabama	1,130,143
Alaska	120,651
Arizona	1,293,036
Arkansas	480,536
California	11,669,338
Colorado	1,037,133
Connecticut	989,084
Delaware	202,630
District of Columbia	553,223
Florida	2,377,108
Georgia	1,318,958
Hawaii	312,089
Idaho	254,345
Illinois	4,105,123
Indiana	1,518,922
Iowa	816,575
Kansas	841,621
Kentucky	927,616
Louisiana	1,081,412
Maine	272,228
Maryland	1,385,280
Massachusetts	2,442,106
Michigan	3,139,463
Minnesota	1,468,822
Mississippi	642,891
Missouri	1,501,019
Montana	209,391
Nebraska	544,547
Nevada	207,159
New Hampshire	264,760
New Jersey	1,991,931
New Mexico	385,561
New York	6,420,011
North Carolina	1,649,429
North Dakota	203,467
Ohio	3,011,220
Oklahoma	1,022,767
Oregon	975,601
Pennsylvania	3,337,941
Rhode Island	400,829
South Carolina	821,655
South Dakota	215,601
Tennessee	1,229,810
Texas	4,143,082
Utah	564,299
Vermont	190,756
Virginia	1,617,622
Washington	1,723,362
West Virginia	551,620

	FY 1981		FY 1982		FY 1983	
	Funds (\$)	Recipients	Funds (\$)	Recipients	Funds (\$)	Recipient
	257,400	1,598	792,923	2,009	892,218	2,330
	117,577	171	112,799	165	94,250	138
	1,195,079	3,301	1,142,211	3,263	999,722	2,841
	485,585	9,922	465,867	10,400	379,371	11,051
	11,986,950	18,697	11,394,921	18,310	9,255,152	14,669
cut	1,060,470	3,155	1,008,039	3,044	815,335	2,408
	1,016,005	2,391	964,703	2,301	780,856	1,887
	244,904	948	229,236	844	159,971	646
f Columbia	559,036	854	536,335	697	441,755	670
	2,441,807	5,634	2,318,513	5,809	1,886,665	4,845
	1,354,153	10,996	1,286,073	9,795	1,041,267	9,173
	289,310	1,621	270,040	1,653	245,635	896
	253,439	911	244,875	870	200,799	759
	4,198,778	24,443	4,003,932	26,942	3,240,887	11,620
	1,534,882	10,185	1,472,554	14,368	1,199,149	3,696
	838,760	4,112	796,240	4,095	644,485	2,913
	864,528	3,675	820,876	3,575	664,438	3,685
	952,863	7,392	904,750	7,008	732,329	5,656
	1,109,954	4,135	1,030,045	3,701	846,537	2,963
	266,059	1,550	258,553	1,102	214,917	2,627
	1,422,486	4,909	1,342,237	4,418	1,093,550	4,954
usetts	2,508,150	7,927	2,381,900	7,385	1,927,900	4,712
	3,224,915	6,785	3,043,627	6,202	2,478,524	4,556
a	1,484,256	5,657	1,432,615	5,791	1,159,596	3,646
pi	660,389	2,260	648,266	2,190	507,545	1,764
	1,541,873	3,282	1,464,019	2,866	1,184,986	3,120
	209,682	1,134	197,613	1,083	164,582	948
	559,369	1,886	531,123	1,824	429,906	1,831
	166,202	410	169,629	362	136,686	293
mpshire	271,371	1,508	255,235	1,435	209,021	1,321
ey	2,046,146	10,230	1,942,829	9,714	1,572,577	7,863
ico	396,055	1,723	355,452	1,741	304,390	1,498
k	6,598,842	21,037	6,269,038	19,031	5,068,430	11,279
rolina	1,649,159	5,153	1,592,941	4,935	1,300,676	4,030
kota	209,005	1,039	198,452	992	160,632	805
	3,042,861	5,518	2,919,299	8,488	2,377,279	5,165
a	1,033,514	9,214	991,546	3,624	807,448	2,168
	1,002,154	13,949	951,552	14,289	770,211	13,654
ania	3,428,795	7,295	3,266,708	5,095	2,635,217	5,107
land	411,738	3,947	390,948	4,339	316,443	4,442
rolina	830,289	1,256	801,401	968	648,675	764
kota	210,286	623	200,403	914	169,964	893
ee	1,263,283	3,541	1,199,495	5,483	970,902	4,574
	4,255,422	10,080	4,040,955	9,846	3,270,854	7,758
	585,265	1,648	587,287	1,831	457,998	1,411
	195,948	515	186,053	268	150,597	216
	1,611,927	18,027	1,559,180	20,732	1,270,798	5,799
	1,777,265	1,885	1,823,281	5,133	1,623,518	1,883

**Percent Distribution of  
Students Aided and SSIG Funds Awarded  
by Type of School  
Fiscal Years 1980-1983**

Type of school	FY 1980		FY 1981		FY 1982		FY 1983	
	Students aided	Funds awarded	Students aided	Funds awarded	Students aided	Funds awarded	Students aided	Funds awarded
PERCENT OF TOTAL								
Public								
1980-81	14.5	10.9	18.8	13.0	20.1	15.9	17.3	13.0
1981-82	49.3	39.5	53.2	43.6	51.8	43.1	50.5	42.0
Total	63.8	50.4	72.0	56.6	71.9	59.0	67.8	55.0
Private, nonprofit								
1980-81	1.5	1.8	1.2	1.4	2.0	2.1	1.4	1.5
1981-82	32.8	45.3	25.1	39.9	24.0	36.5	28.7	41.0
Total	34.3	47.1	26.3	41.3	26.0	38.6	30.1	42.5
Other nonprofit	.6	.6	.6	.6	1.2	1.3	.8	.8
Proprietary (for profit)	1.3	1.9	1.1	1.5	.9	1.1	1.4	1.7
TOTAL								
Number of students	274,973	\$76,510,474,000	280,843	\$76,538,682,000	278,230	\$73,465,219	200,700	59,941,000

# Growth of State Grant Programs

## Award Periods 1969-70 through 1985-86

Year	Number of States and Trust Territories	Number of recipients	Amount awarded (\$ m)	
			Total	SSIG p
1969-1970	19	470,000	199.9	(
1970-1971	21	535,000	236.3	(
1971-1972	23	604,000	268.6	(
1972-1973	29	662,000	315.5	(
1973-1974	31	733,000	364.2	(
1974-1975	37	813,000	440.8	19
1975-1976	48	902,000	510.2	20
1976-1977	55	1,104,000	651.4	44
1977-1978	56	1,161,000	737.0	60
1978-1979	57	1,218,000	789.2	63
1979-1980	57	2,278,000	864.5	76
1980-1981	57	1,242,000	873.3	76
1981-1982	57	1,330,000	963.6	76
1982-1983	57	1,492,000	1,079.9	73
1983-1984	57	1,524,000 (est.)	1,185.9 (est.)	60
1984-1985	57	1,578,000 (est.)	1,411.4 (est.)	76
1985-1986	57	NA	NA	76

Funds were first awarded under the SSIG Program in 1974-75.

Source: Adapted from the Annual Surveys of the National Association of State Scholarship and Grant Programs.

## Unevenness of State Matching Capability

Award Period 1984-1985\*

**Ratio of Federal SSIG Funds in Needbased State Grant Payout, 1984-85  
(the 50 States, D.C., and Puerto Rico)**

SSIG Federal Funds as % of State grant payout	Share of Federal SSIG funds		Share of total State payout		Share overm
	Amount (\$ thousand)	% of total	Amount (\$ thousand)	% of total	Amount (\$ thousand)
Up to 5% Fed., 8 States (N.Y., Vt., Minn., N.J., Iowa, Ill., Pa., Ind.)	20,000	26	766,000	63	726,000
Between 5 and 20% Fed., 21 States (R.I., P.R., Mass., S.C., Wisc., Ohio, Mich., Conn., Oreg., Ky., Colo., Calif., W.Va., Ark., Okla., Tenn., Tex., Mo., Fla., Kan., Md.)	41,000	54	411,000	34	329,000
20% or more Fed., 23 States (Wash. Del., N.D., N.C., Ga., Utah, Va., N.Mex., S.D., N.H., Me., Ala., Alaska, Ariz., D.C., Hawaii, Idaho, La., Miss., Mont., Nebr., Nev., Wyo.)	15,000	20	40,000	3	10,000
Totals (SSIG Federal is 6.2% of Nationwide Needbased Payout)	76,000	100	1,217,000	100	1,065,000

\* These data were taken from program records.

# SSIG Standard Allotment Table\*

State or territory	1982 allotment (\$)	1983 allotment (\$)	1984 allotment (\$)	all
Alabama	1,095,643	892,218	1,130,143	1,
Alaska	116,968	95,251	120,651	
Arizona	1,253,564	1,020,818	1,293,036	1,
Arkansas	465,867	379,371	480,536	
California	11,313,115	9,212,635	11,669,338	11,
Colorado	1,005,473	818,789	1,037,133	1,
Connecticut	958,891	780,856	989,084	
Delaware	196,445	159,971	202,630	
District of Columbia	536,335	436,755	553,223	
Florida	2,304,544	1,876,665	2,377,108	2,
Georgia	1,278,695	1,041,283	1,318,958	1,
Hawaii	302,561	246,386	312,089	
Idaho	246,581	200,799	254,345	
Illinois	3,979,809	3,240,887	4,105,123	4,
Indiana	1,472,554	1,199,149	1,518,922	1,
Iowa	791,648	644,664	816,575	
Kansas	815,930	664,438	841,621	
Kentucky	899,299	732,329	927,616	
Louisiana	1,048,401	853,746	1,081,412	1,
Maine	263,918	214,917	272,228	
Maryland	1,342,992	1,093,642	1,385,280	1,
Massachusetts	2,367,558	1,927,978	2,442,106	2,
Michigan	3,043,627	2,478,524	3,139,463	3,
Minnesota	1,423,984	1,159,596	1,468,822	1,
Mississippi	623,266	507,545	642,891	
Missouri	1,455,199	1,185,015	1,501,019	1,
Montana	203,000	165,309	209,391	
Nebraska	527,924	429,906	544,547	
Nevada	200,836	163,547	207,159	
New Hampshire	256,678	209,021	264,760	
New Jersey	1,931,124	1,572,577	1,991,931	1,
New Mexico	373,790	304,390	385,561	

This table is continued on the next page.

# SSIG Standard Allotment Table

State or territory	1982 allotment (\$)	1983 allotment (\$)	1984 allotment (\$)	allotment (\$)
Alaska	6,224,031	5,063,430	6,420,011	6,420,011
Alabama	1,599,079	1,302,181	1,649,429	1,649,429
Arkansas	197,256	160,632	203,467	203,467
California	464,069	2,377,279	3,011,220	3,011,220
Colorado	991,546	807,448	1,022,767	1,022,767
Connecticut	945,819	770,211	975,601	975,601
Delaware	3,236,046	2,635,216	3,337,941	3,337,941
District of Columbia	388,593	316,443	400,829	400,829
Florida	796,573	648,675	821,655	821,655
Georgia	209,020	170,211	215,601	215,601
Hawaii	1,192,268	970,902	1,229,810	1,229,810
Idaho	4,016,609	3,270,854	4,143,082	4,143,082
Illinois	547,073	445,499	564,299	564,299
Indiana	184,932	150,597	190,756	190,756
Iowa	1,568,242	1,277,070	1,617,622	1,617,622
Kansas	1,670,754	1,360,549	1,723,362	1,723,362
Kentucky	534,781	435,490	551,620	551,620
Louisiana	1,535,618	1,250,503	1,583,971	1,583,971
Maine	123,504	100,574	127,393	127,393
Maryland	5,259	4,282	5,425	5,425
Massachusetts	23,339	19,005	24,073	24,073
Michigan	900	732	928	928
Minnesota	658,255	536,038	678,981	678,981
Mississippi	1,636	1,332	1,687	1,687
Missouri	13,349	10,870	13,769	13,769
Montana	73,680,000	60,000,000	76,000,000	76,000,000
Nebraska				
Nevada				
New Hampshire				
New Jersey				
New Mexico				
New York				
North Carolina				
North Dakota				
Ohio				
Oklahoma				
Oregon				
Pennsylvania				
Rhode Island				
South Carolina				
South Dakota				
Tennessee				
Texas				
Utah				
Vermont				
Virginia				
Washington				
West Virginia				
Wisconsin				
Wyoming				
American Samoa				
Guam				
Northern Mariana Islands				
Puerto Rico				
Virgin Islands				
U.S. Territories				
Islands				
Total	73,680,000	60,000,000	76,000,000	76,000,000

**Statutory authority.** LEEP is authorized by Title I, Part D, Section 406, of the Omnibus Crime Control and Safe Streets Act of 1968 (Public Law 90-351), as amended.

When the Department of Education was created on May 4, 1980, LEEP was transferred to OSFA from the Law Enforcement Assistance Administration (LEAA) of the Department of Justice.

**Purpose.** LEEP provided financial assistance to students who were already working or who planned to work in the fields of criminal and juvenile justice.

LEEP provided two types of assistance: grants and loans. The maximum amount of a LEEP grant was \$250 per quarter or \$400 per semester. Grants could be awarded only to students who were already employed in the criminal justice system. LEEP grants encouraged these employees to pursue higher educational levels.

The maximum amount of a LEEP loan was \$733 per quarter or \$1,100 per semester. Loans were awarded to full-time college students to encourage them to pursue careers in the criminal justice system.

LEEP grants and loans paid only the costs of tuition and mandatory fees. Both grants and loans had to be paid back unless students worked for specific amounts of time in the criminal justice system. If a student worked full-time for 2 years after completing the course that a grant paid for, he or she was no longer obligated to pay it back. For each year that a student worked full-time in the criminal justice system, 25 percent was subtracted from the amount that the student originally owed on a loan. (Six months after completing the studies that a loan paid for, a student who had not started working in the criminal justice system was expected to begin repaying the loan.)

**Funding of the program.** Congress last appropriated money for LEEP in 1979. However, the program continued to provide financial assistance through the 1980-81 academic year by using funds left over from previous years.

## APPENDIX A: ENROLLMENT TRENDS

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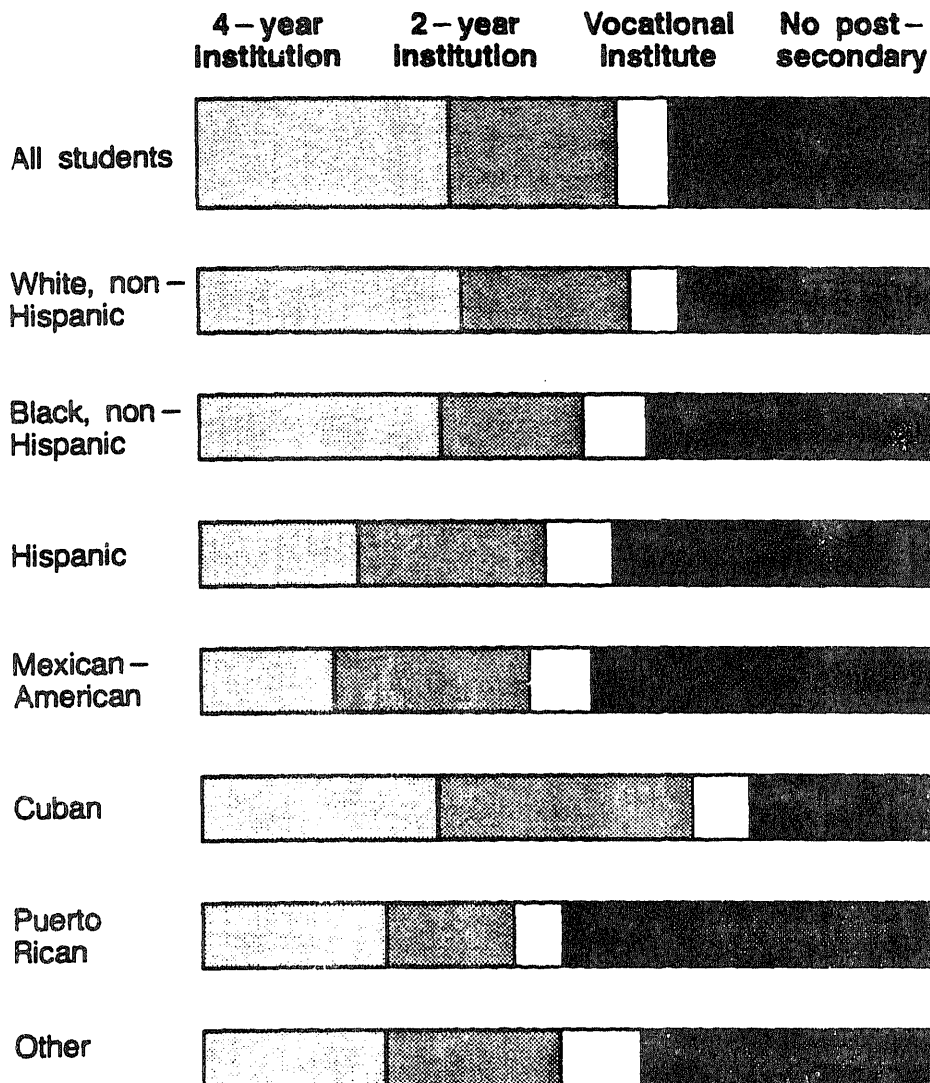
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Race/Ethnicity and Hispanic Population Subgroup	Total	4-Year Institution	2-Year Institution	Vocational Institute	No Post- secondary
Percentage Distribution					
y Participation by February 1982:					
All students.....	100.0	34.2	23.0	7.0	35.8
White, non-Hispanic.....	100.0	35.7	23.2	6.5	34.6
Black, non-Hispanic.....	100.0	32.6	19.7	8.7	39.1
Hispanic.....	100.0	21.3	25.6	9.1	44.0
Mexican-American.....	100.0	17.7	26.8	8.5	47.0
Cuban.....	100.0	32.0	34.9	7.7	25.4
Puerto Rican.....	100.0	24.5	17.5	6.8	51.2
Other.....	100.0	24.3	24.2	10.8	40.7

SOURCE: U.S. Department of Education, National Center for Education Statistics, High School and Beyond  
Study, unpublished tabulations (September 1984).

# Distribution of 1980 High School Seniors Ever Enrolled in Postsecondary Institutions: February 1982



Family Income and Tuition Level	Any Loan	Any Grant	Pell Grant	Average Pell Amount Per Recipient
			Percent	
All levels.....	32.4	46.7	21.0	\$956
Family income less than \$12,000 and tuition:				
Less than \$1,000.....	18.3	66.8	44.2	998
\$1,000 to \$2,999.....	41.5	82.4	59.9	1,249
\$3,000 or more.....	59.3	91.4	75.1	1,284
Family income \$12,000 to \$24,999 and tuition:				
Less than \$1,000.....	20.8	44.6	22.4	834
\$1,000 to \$2,999.....	47.2	56.0	30.7	976
\$3,000 or more.....	68.8	69.5	37.1	867
Family income \$25,000 or more and tuition:				
Less than \$1,000.....	15.4	28.7	7.7	733
\$1,000 to \$2,999.....	39.4	35.1	9.3	789
\$3,000 or more.....	51.3	39.3	7.7	862

SOURCE: U.S. Department of Education, National Center for Education Statistics, High School and Beyond Study, unpublished tabulations (September 1984).

## Loans

## Grants

All levels



Tuition level:

### Family Income Less Than \$12,000

Less than \$1,000



\$1,000 to \$2,999



\$3,000 or more



Tuition level:

### Family Income \$12,000 to \$24,999

Less than \$1,000



\$1,000 to \$2,999



\$3,000 or more



Tuition level:

### Family Income \$25,000 or More

Less than \$1,000



\$1,000 to \$2,999



\$3,000 or more



0 20 40 60 80 100

Percent

0 20 40 60 80 100

Percent

Sex, Race, and Age Group	Type of Postsecondary Education					
	Academic <sup>1</sup>		Vocational <sup>2</sup>		Continuing <sup>3</sup>	
	Number (in Thousands)	Percentage Distribution	Number (in Thousands)	Percentage Distribution	Number (in Thousands)	Percentage Distribution
Total.....	9,243	100.0	3,787	100.0	5,177	100.0
Male.....	4,629	50.1	1,712	45.2	1,808	34.9
Female.....	4,614	49.9	2,074	54.8	3,368	65.1
White.....	7,933	85.8	3,199	84.5	4,731	91.4
Black.....	918	9.9	449	11.9	255	4.9
Other races.....	392	4.2	138	3.6	190	3.7
16 to 24 years old.....	6,208	67.2	1,833	48.4	848	16.4
25 to 34 years old.....	2,145	23.2	1,078	28.5	1,667	32.2
35 to 44 years old.....	624	6.8	522	13.8	1,121	21.7
45 to 54 years old.....	198	2.1	240	6.3	717	13.8
55 to 64 years old.....	56	.6	95	2.5	514	9.9
65 years old and over.....	12	.1	19	.5	309	6.0

<sup>1</sup>Academic students pursued coursework, either full- or part-time, for the purpose of obtaining an undergraduate, graduate, or professional degree.

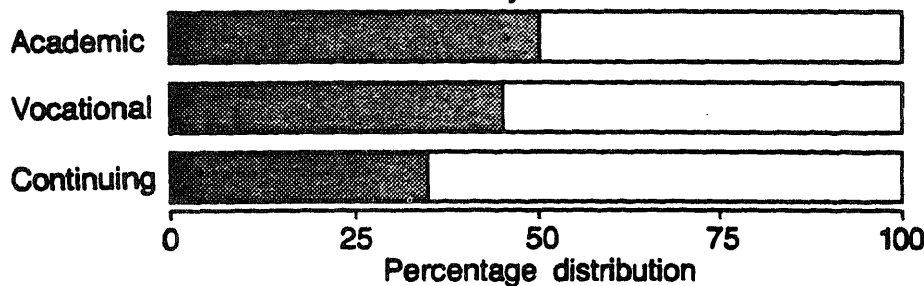
<sup>2</sup>Vocational students took coursework (either full- or part-time) in an occupational or technical field for the purpose of obtaining a vocational credential, such as a vocational certificate, occupational license, or other vocational diploma or degree.

<sup>3</sup>Continuing education students were postsecondary education participants not otherwise classified as academic or vocational students who were taking college credit courses but not seeking a degree or who were taking noncredit courses for job improvement, personal development or social/recreational purposes (excluding adult basic education courses to improve basic skills in reading, writing, or arithmetic).

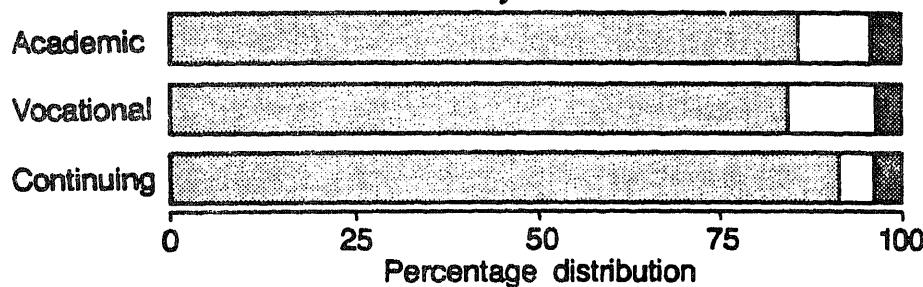
NOTE: Data revised from those previously published. Details may not add to totals because of rounding.

SOURCE: U.S. Department of Education, National Center for Education Statistics, Special Report, *Participants in Postsecondary Education: October 1982, 1984*, based on data from Current Population Survey of the Bureau of the Census.

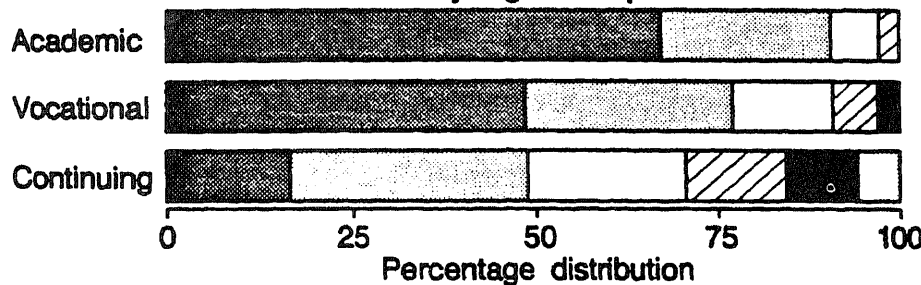
### By Sex



### By Race



### By Age Group



# to Fall 1993

(In thousands)

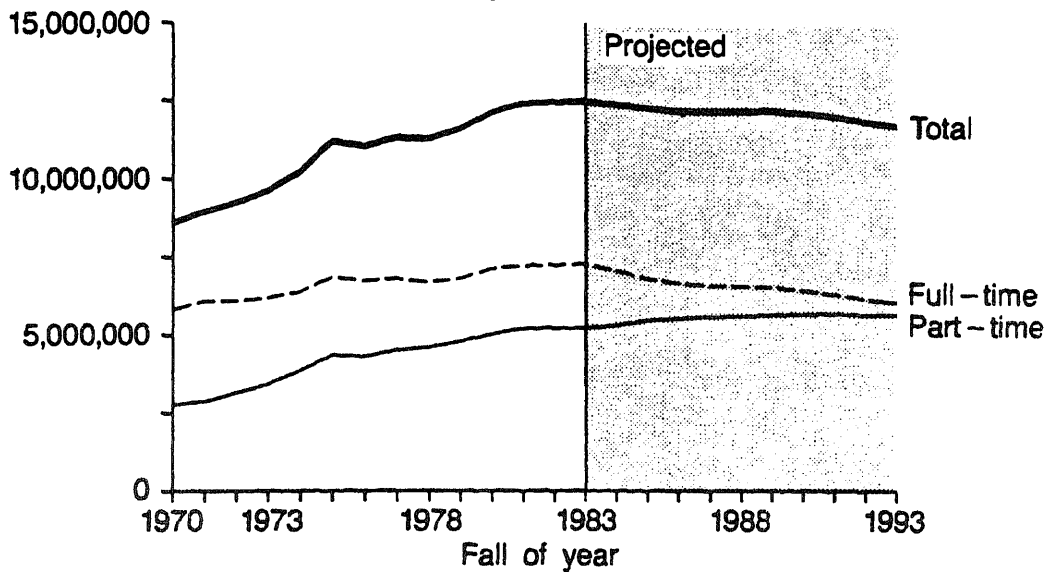
Fall of Year	Total Enrollment	Sex		Attendance Status		Age Group (Estimated)	
		Male	Female	Full-Time	Part-Time	Under 25 Years Old	25 Years Old and Over
1970.....	8,581	5,044	3,537	5,815	2,766	6,194	2,386
1971.....	8,949	5,207	3,742	6,077	2,871	6,399	2,550
1972.....	9,215	5,239	3,976	6,072	3,142	6,401	2,815
1973.....	9,602	5,371	4,231	6,189	3,413	6,511	3,090
1974.....	10,224	5,622	4,601	6,370	3,853	6,631	3,593
1975.....	11,185	6,149	5,036	6,841	4,344	7,061	4,123
1976.....	11,012	5,811	5,201	6,717	4,295	7,066	3,945
1977.....	11,286	5,789	5,497	6,793	4,493	6,992	4,294
1978.....	11,259	5,640	5,619	6,667	4,592	7,035	4,225
1979.....	11,570	5,683	5,887	6,793	4,776	7,117	4,453
1980.....	12,097	5,874	6,223	7,098	4,999	7,560	4,537
1981.....	12,372	5,975	6,397	7,181	5,190	7,538	4,834
1982.....	12,426	6,031	6,394	7,221	5,205	7,578	4,848
1983.....	12,465	6,024	6,441	7,261	5,204	7,402	5,063
Projected*							
1984.....	12,345	6,020	6,325	7,045	5,300	7,225	5,120
1985.....	12,247	5,996	6,251	6,790	5,457	6,952	5,295
1986.....	12,162	5,944	6,218	6,645	5,517	6,734	5,428
1987.....	12,136	5,918	6,218	6,566	5,570	6,603	5,533
1988.....	12,141	5,909	6,232	6,541	5,600	6,533	5,608
1989.....	12,161	5,908	6,253	6,524	5,637	6,476	5,684
1990.....	12,093	5,867	6,226	6,430	5,663	6,351	5,742
1991.....	11,989	5,805	6,184	6,303	5,686	6,214	5,775
1992.....	11,810	5,715	6,095	6,152	5,658	6,065	5,745
1993.....	11,676	5,641	6,035	6,037	5,639	5,955	5,720

\*For methodological details, see *Projections of Education Statistics to 1992-93, 1985*.

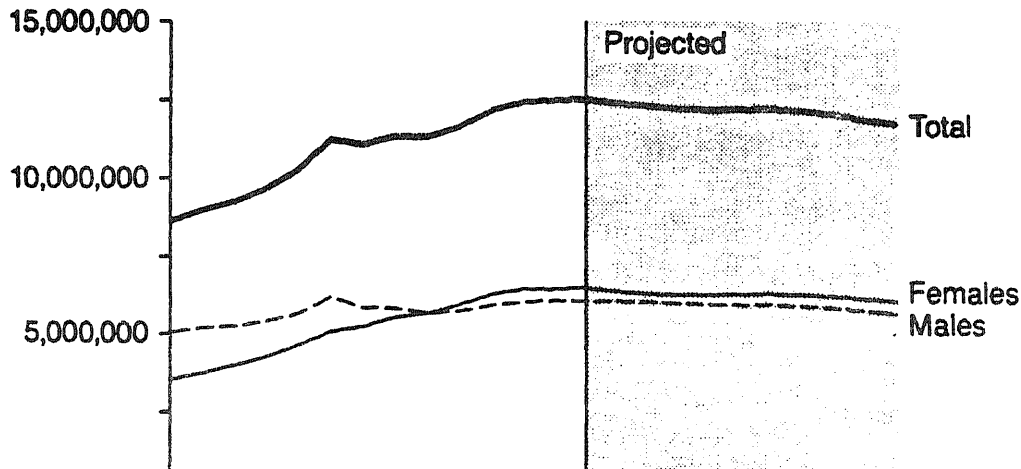
SOURCE: U.S. Department of Education, National Center for Education Statistics, Higher Education General Information Survey, *Fall Enrollment in Colleges and Universities*, various years; *Projections of Education Statistics to 1992-93, 1985*; and unpublished tabulations (December 1984).

# Enrollment Trends in Institutions of Higher Education, by Student Character

## Enrollment, by Attendance Status



## Enrollment, by Sex



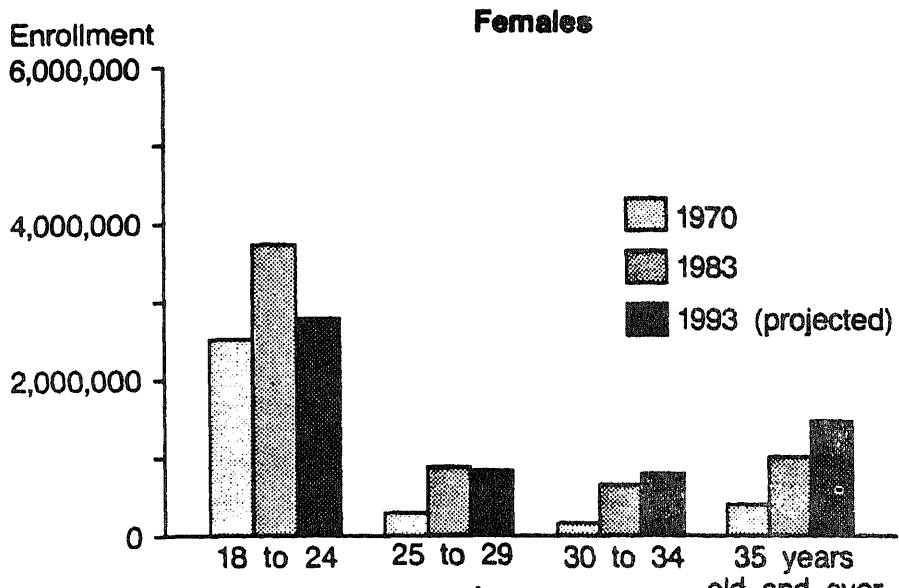
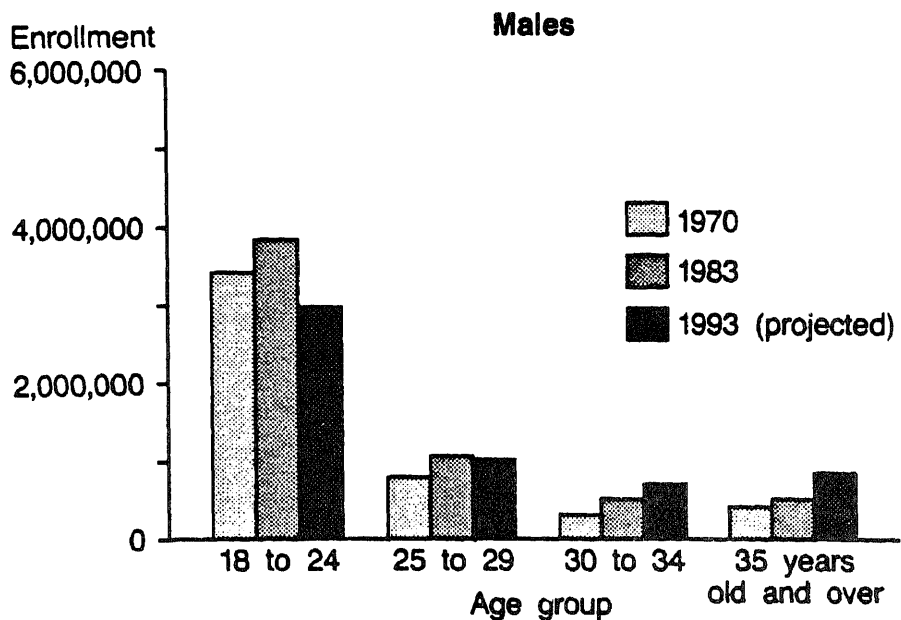
# Percent in Full-Time Attendance Status: United States, Selected Years, Fall 1970 to Fall 1993

Sex and Age Group	Estimated Enrollment								Projected Enrollment		
	1970		1973		1978		1983		1988		
	Number (in Thousands)	Percent Full-Time	Number (in Thousands)	Percent Full-Time	Number (in Thousands)	Percent Full-Time	Number (in Thousands)	Percent Full-Time	Number (in Thousands)	Percent Full-Time	Number (in Thousands)
sexes.....	8,581	67.8	9,602	64.4	11,259	59.2	12,465	57.1	12,141	53.9	11,676
years.....	258	93.4	297	89.6	263	91.6	214	89.2	213	89.7	183
9 years.....	2,599	92.5	2,526	91.9	2,756	87.9	2,710	88.3	2,439	88.3	2,121
11 years.....	1,880	87.6	2,109	85.6	2,213	82.1	2,392	82.9	2,023	82.7	1,888
13 years.....	1,457	60.5	1,578	61.0	1,803	62.7	2,086	59.9	1,860	59.9	1,762
15 years.....	1,075	37.9	1,485	32.6	1,731	34.7	2,032	36.4	2,110	36.4	1,870
17 years.....	487	20.5	658	23.1	1,037	25.8	1,314	23.1	1,459	23.1	1,521
and over.....	824	16.3	947	20.5	1,458	12.9	1,716	14.8	2,037	14.9	2,329
.....	5,044	69.5	5,371	66.6	5,640	62.5	6,024	61.2	5,909	58.2	5,641
years.....	129	96.1	121	90.9	105	90.5	91	87.0	92	87.0	79
9 years.....	1,349	93.8	1,299	92.2	1,327	88.2	1,283	89.2	1,171	89.2	1,019
11 years.....	1,095	90.4	1,149	86.2	1,157	84.4	1,205	84.8	1,033	84.6	966
13 years.....	964	67.4	992	68.6	1,027	67.6	1,148	65.3	1,041	65.1	988
15 years.....	783	41.8	993	37.0	985	38.3	1,087	40.3	1,150	40.3	1,022
17 years.....	308	23.4	387	27.4	523	25.4	597	27.4	676	27.5	710
and over.....	415	18.1	428	28.7	516	15.7	613	14.7	744	14.8	855
.....	3,537	65.3	4,231	61.7	5,619	55.9	6,441	53.1	6,232	49.8	6,035
years.....	129	90.7	175	89.1	157	93.0	123	91.7	121	90.9	104
9 years.....	1,250	91.2	1,228	91.6	1,429	87.6	1,427	87.4	1,266	87.5	1,101
11 years.....	785	83.7	961	84.8	1,054	79.7	1,187	80.9	989	80.9	922
13 years.....	493	46.9	585	48.4	776	56.2	938	53.3	818	53.3	773
15 years.....	292	27.4	492	23.4	746	29.8	945	31.7	960	31.7	849
17 years.....	179	15.6	270	17.0	513	26.3	717	19.2	782	19.2	812
and over.....	409	14.4	518	13.5	942	11.4	1,103	14.9	1,294	14.9	1,474

Methodological details, see *Projections of Education Statistics to 1992-93*, 1985.

Details may not add to totals because of rounding.

Source: U.S. Department of Education, National Center for Education Statistics, Higher Education General Information Survey, *Fall Enrollment in Universities*, various years; *Projections of Education Statistics to 1992-93*, 1985, and unpublished tabulations (December 1984).



# Enrollment and by Level of Student: United States, Fall 1970 to Fall 1993

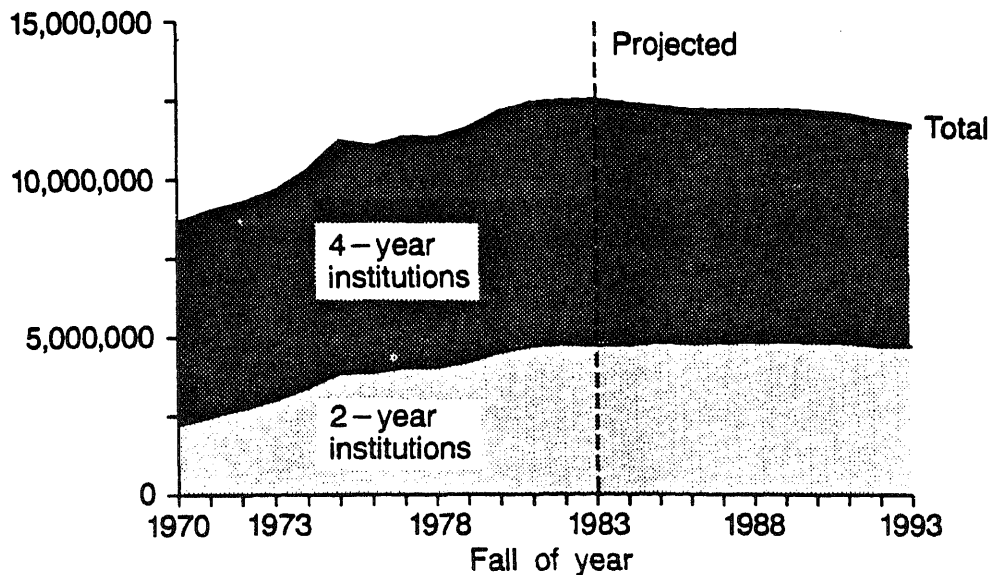
(In Thousands)								
Fall of Year	Total Enrollment	Control of Institution		Type of Institution		Level		
		Public	Private	4-Year	2-Year	Undergraduate and Unclassified	Graduate and Postbaccalaureate Unclassified	First Professionals
.....	8,581	6,428	2,153	6,358	2,223	7,376	1,031	1
.....	8,949	6,804	2,144	6,463	2,486	7,743	1,012	1
.....	9,215	7,071	2,144	6,459	2,756	7,941	1,066	2
.....	9,602	7,420	2,183	6,590	3,012	8,261	1,123	2
.....	10,224	7,989	2,235	6,820	3,404	8,798	1,190	2
.....	11,185	8,835	2,350	7,215	3,970	9,679	1,263	2
.....	11,012	8,653	2,359	7,129	3,883	9,429	1,333	2
.....	11,286	8,847	2,437	7,242	4,042	9,714	1,318	2
.....	11,259	8,784	2,475	7,232	4,028	9,684	1,319	2
.....	11,570	9,037	2,533	7,353	4,217	9,998	1,309	2
.....	12,097	9,457	2,640	7,571	4,526	10,475	1,343	2
.....	12,372	9,647	2,724	7,655	4,716	10,754	1,343	2
.....	12,426	9,696	2,730	7,654	4,772	10,825	1,323	2
.....	12,465	9,683	2,782	7,739	4,726	10,846	1,339	2
Projected *								
.....	12,345	9,645	2,700	7,600	4,745	10,715	1,345	2
.....	12,247	9,591	2,656	7,437	4,810	10,551	1,398	2
.....	12,162	9,533	2,629	7,358	4,804	10,447	1,413	3
.....	12,136	9,518	2,618	7,317	4,819	10,410	1,424	3
.....	12,141	9,528	2,613	7,303	4,838	10,417	1,424	3
.....	12,161	9,548	2,613	7,306	4,855	10,439	1,425	2
.....	12,093	9,498	2,595	7,264	4,829	10,371	1,427	2
.....	11,989	9,419	2,570	7,195	4,794	10,266	1,430	2
.....	11,810	9,284	2,526	7,071	4,739	10,096	1,422	2
.....	11,676	9,185	2,491	6,968	4,708	9,968	1,418	2

Methodological details, see *Projections of Education Statistics to 1992-93*, 1985.

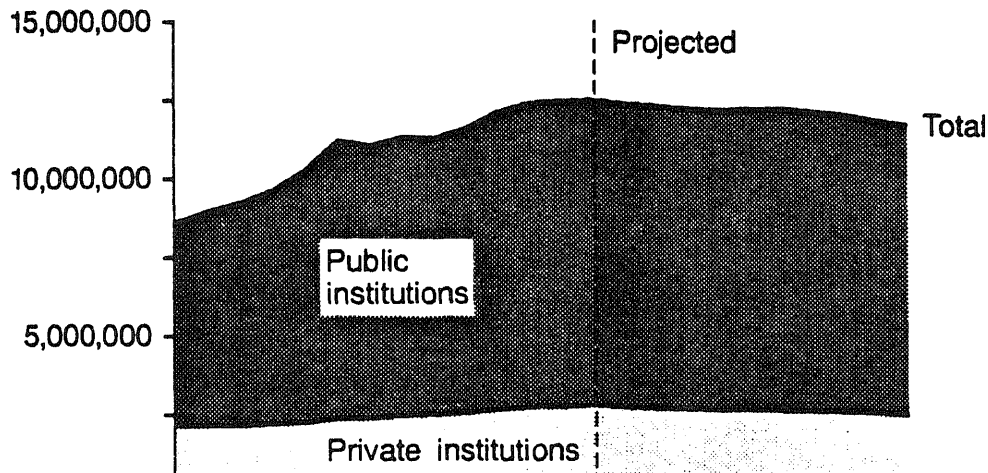
Source: U.S. Department of Education, National Center for Education Statistics, Higher Education General Information Survey, *Fall Enrollment in Colleges and Universities*, various years; *Projections of Education Statistics to 1992-93*, 1985, and unpublished tabulations (December 1984).

# Enrollment Trends in Institutions of Higher Education, by Institutional Characteristics

## Enrollment, by Type of Institution



## Enrollment, by Control of Institution

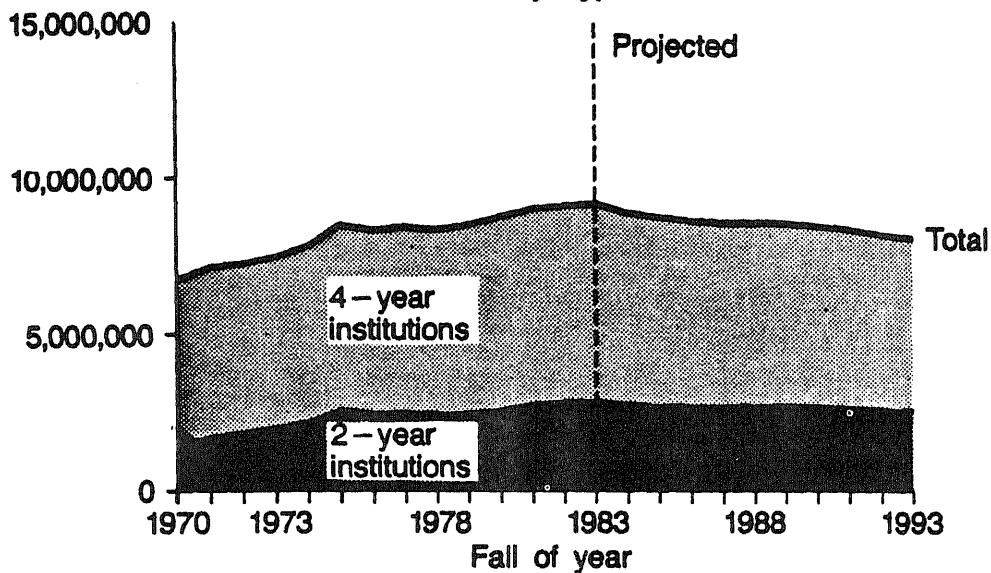


(In Thousands)

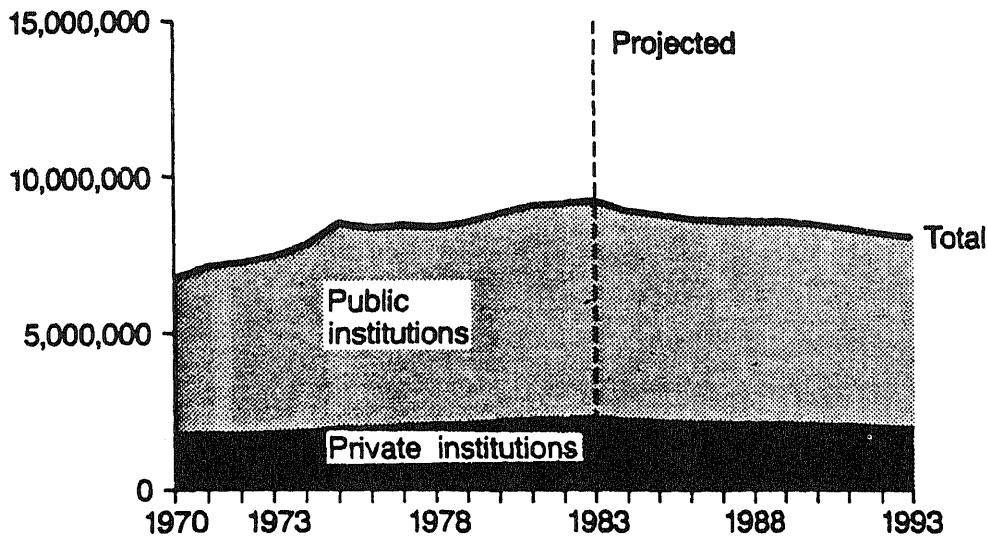
Fall of Year	Total FTE Enrollment	Control of Institution		Type of Institution		Level		Pro
		Public	Private	4-Year	2-Year	Undergraduate and Unclassified	Graduate and Postbaccalaureate Unclassified	
.....	6,737	4,953	1,784	5,220	1,518	5,976	599	
.....	7,149	5,344	1,804	5,430	1,719	6,351	613	
.....	7,254	5,453	1,801	5,407	1,847	6,434	622	
.....	7,453	5,630	1,824	5,439	2,014	6,574	669	
.....	7,805	5,945	1,861	5,606	2,199	6,869	710	
.....	8,481	6,523	1,958	5,899	2,581	7,493	758	
.....	8,313	6,350	1,963	5,852	2,464	7,299	781	
.....	8,415	6,396	2,018	5,934	2,480	7,398	776	
.....	8,335	6,270	2,066	5,924	2,410	7,308	777	
.....	8,487	6,393	2,095	6,017	2,471	7,460	778	
.....	8,749	6,574	2,175	6,160	2,589	7,697	791	
.....	9,012	6,778	2,234	6,250	2,764	7,952	801	
.....	9,092	6,851	2,241	6,249	2,842	8,036	788	
.....	9,166	6,881	2,285	6,324	2,842	8,095	806	
Projected *								
.....	8,866	6,671	2,195	6,107	2,759	7,756	835	
.....	8,730	6,570	2,160	6,008	2,722	7,601	845	
.....	8,607	6,480	2,127	5,908	2,699	7,467	852	
.....	8,547	6,438	2,109	5,850	2,697	7,402	858	
.....	8,533	6,433	2,100	5,825	2,708	7,393	855	
.....	8,529	6,433	2,097	5,815	2,713	7,394	852	
.....	8,445	6,371	2,075	5,761	2,684	7,316	849	
.....	8,326	6,278	2,048	5,683	2,642	7,199	848	
.....	8,165	6,159	2,007	5,567	2,598	7,044	844	
.....	8,043	6,069	1,974	5,471	2,572	6,925	842	

Methodological details, see *Projections of Education Statistics to 1992-93, 1985*.Source: U.S. Department of Education, National Center for Education Statistics, Higher Education General Information Survey, *Fall Enrollment in Colleges and Universities*, various years; *Projections of Education Statistics to 1992-93, 1985*, and unpublished tabulations (December 1984).

**FTE Enrollment, by Type of Institution**



**FTE Enrollment, by Control of Institution**



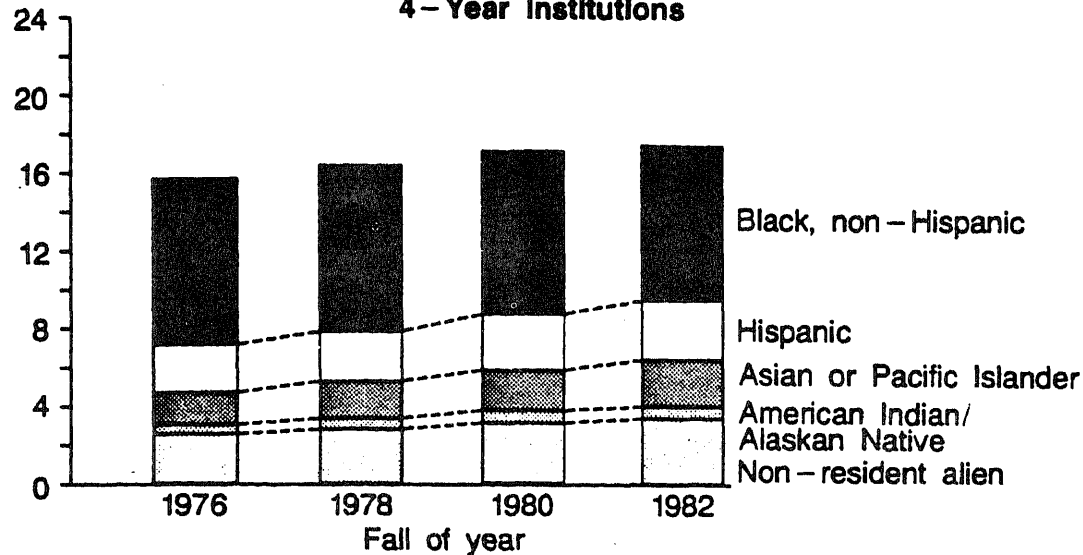
Type and Race/Ethnicity	1976	1978	1980	1982	1976	1978	1980	1982
	Number (in Thousands)				Percentage Distribution			
4-year institutions.....	7,107	7,203	7,565	7,648	100.0	100.0	100.0	100.0
White, non-Hispanic.....	5,999	6,027	6,275	6,306	84.4	83.7	82.9	82.5
Total minority.....	931	975	1,050	1,073	13.1	13.5	13.9	14.0
Black, non-Hispanic.....	604	612	634	612	8.5	8.5	8.4	8.0
Hispanic.....	174	190	217	229	2.4	2.6	2.9	3.0
Asian or Pacific Islander.....	119	138	162	193	1.7	1.9	2.1	2.5
American Indian/ Alaskan Native.....	35	35	37	39	.5	.5	.5	.5
Non-resident alien.....	177	201	241	270	2.5	2.8	3.2	3.5
2-year institutions.....	3,879	4,028	4,521	4,740	100.0	100.0	100.0	100.0
White, non-Hispanic.....	3,077	3,167	3,558	3,692	79.3	78.6	78.7	77.9
Total minority.....	760	810	899	987	19.6	20.1	19.9	20.8
Black, non-Hispanic.....	429	443	472	489	11.1	11.0	10.4	10.3
Hispanic.....	210	227	255	291	5.4	5.6	5.6	6.1
Asian or Pacific Islander.....	79	97	124	158	2.0	2.4	2.7	3.3
American Indian/ Alaskan Native.....	41	43	47	49	1.1	1.1	1.0	1.0
Non-resident alien.....	42	52	64	61	1.1	1.3	1.4	1.3

NOTE: Data for all years exclude a small number of students not reported by race. Details may not add to totals because of rounding.

SOURCE: U.S. Department of Education, Office for Civil Rights, *Racial, Ethnic and Sex Enrollment Data from Institutions of Higher Education, Fall 1976*; and National Center for Education Statistics, *Fall Enrollment in Higher Education, 1976; Digest of Education Statistics, 1981 and 1983-84*; and unpublished tabulations (March 1985).

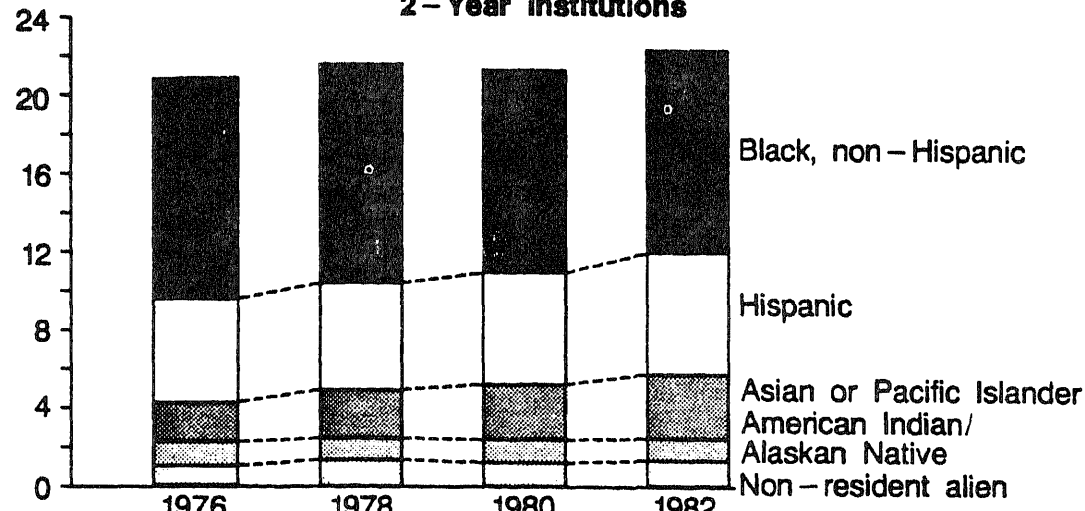
Percent of  
total enrollment

### 4 - Year Institutions



Percent of  
total enrollment

### 2 - Year Institutions



Year and Source

Total

4-Year

2-Year

4-Year

2-Year

Amount, in Millions of Dollars

1970-71:					
Total	\$23,879	\$13,260	\$2,266	\$8,115	\$237
Government <sup>1</sup>	12,106	8,291	1,778	2,020	16
Federal <sup>2</sup>	4,601	2,616	153	1,819	13
State	6,595	5,528	924	140	3
Local	910	147	701	61	1
Private sources	1,227	348	11	838	31
Students <sup>3</sup>	8,146	3,485	437	4,043	181
Tuition and fees	5,021	1,738	295	2,871	118
Auxiliary enterprises <sup>4</sup>	3,125	1,748	143	1,173	62
Institutional <sup>5</sup>	2,401	1,136	41	1,215	9
1981-82:					
Total	72,191	38,715	8,556	24,181	739
Government <sup>1</sup>	33,378	22,302	6,225	4,802	49
Federal <sup>2</sup>	9,592	4,882	491	4,187	32
State	21,849	17,142	4,255	438	14
Local	1,938	279	1,478	177	4
Private sources	3,564	1,236	41	2,230	57
Students <sup>3</sup>	23,896	9,583	1,935	11,792	586
Tuition and fees	15,774	5,014	1,381	8,896	483
Auxiliary enterprises <sup>4</sup>	8,122	4,569	554	2,896	103
Institutional <sup>5</sup>	11,353	5,594	355	5,358	46

## Percentage Distribution

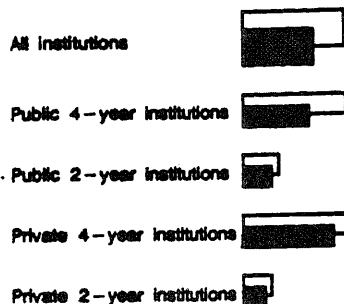
1970-71:					
Total	100.0	100.0	100.0	100.0	100.0
Government <sup>1</sup>	50.7	62.5	78.5	24.9	6.8
Federal <sup>2</sup>	19.3	19.7	6.8	22.4	5.5
State	27.6	41.7	40.8	1.7	1.1
Local	3.8	1.1	30.9	.6	.3
Private sources	5.1	2.6	.5	10.3	12.9
Students <sup>3</sup>	34.1	26.3	19.3	49.8	76.3
Tuition and fees	21.0	13.1	13.0	35.4	49.9
Auxiliary enterprises <sup>4</sup>	13.1	13.2	6.3	14.4	26.4
Institutional <sup>5</sup>	10.1	8.6	1.8	5.0	3.9
1981-82:					
Total	100.0	100.0	100.0	100.0	100.0
Government <sup>1</sup>	46.2	57.6	72.8	19.9	6.7
Federal <sup>2</sup>	13.3	12.6	5.7	17.3	4.3
State	30.3	44.3	49.7	1.8	1.9
Local	2.7	.7	17.3	.7	.5
Private sources	4.9	3.2	.5	9.2	7.7
Students <sup>3</sup>	33.1	24.8	22.6	48.8	79.4
Tuition and fees	21.9	13.0	16.1	36.8	65.4
Auxiliary enterprises <sup>4</sup>	11.3	11.8	6.5	12.0	14.0
Institutional <sup>5</sup>	15.7	14.5	4.1	22.2	6.3

<sup>1</sup>Includes appropriations, restricted and unrestricted grants and contracts.<sup>2</sup>Excludes Federal aid going directly to students, e.g., Pell grants. Includes appropriations, restricted and unrestricted grants and contracts, and independent operations such as Federally Funded Research and Development Centers (FFRDC).<sup>3</sup>Includes Federal aid going to students, e.g., Pell grants.<sup>4</sup>Includes revenues generated by operations that were essentially self-supporting within the institutions, such as residence halls, food services, student health services, and college unions. Nearly all such revenues are derived from stu

5.

# Sources of Current-Fund Revenues for Institutions of Higher Education

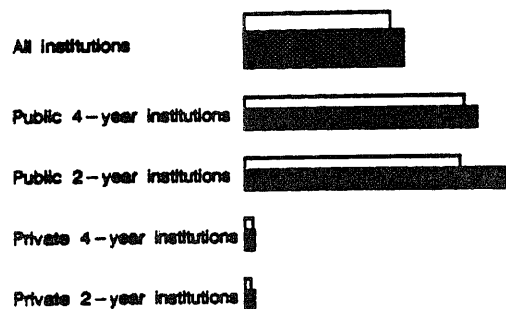
## Federal Sources<sup>1</sup>



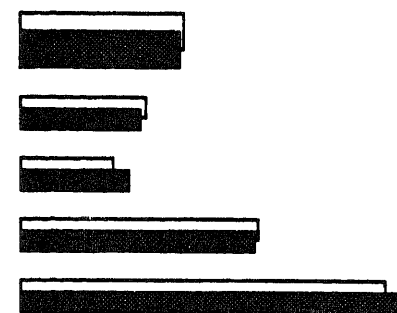
## Private Sources



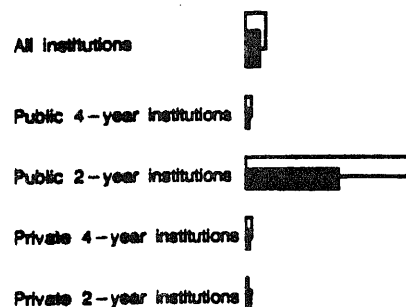
## State Sources



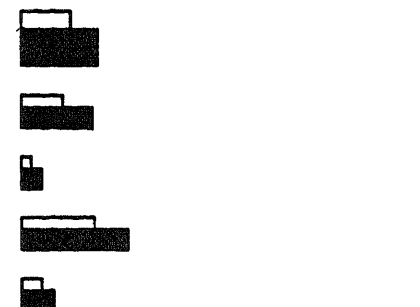
## Student Sources<sup>2</sup>



## Local Sources



## Institutional Sources



0 20 40 60 80

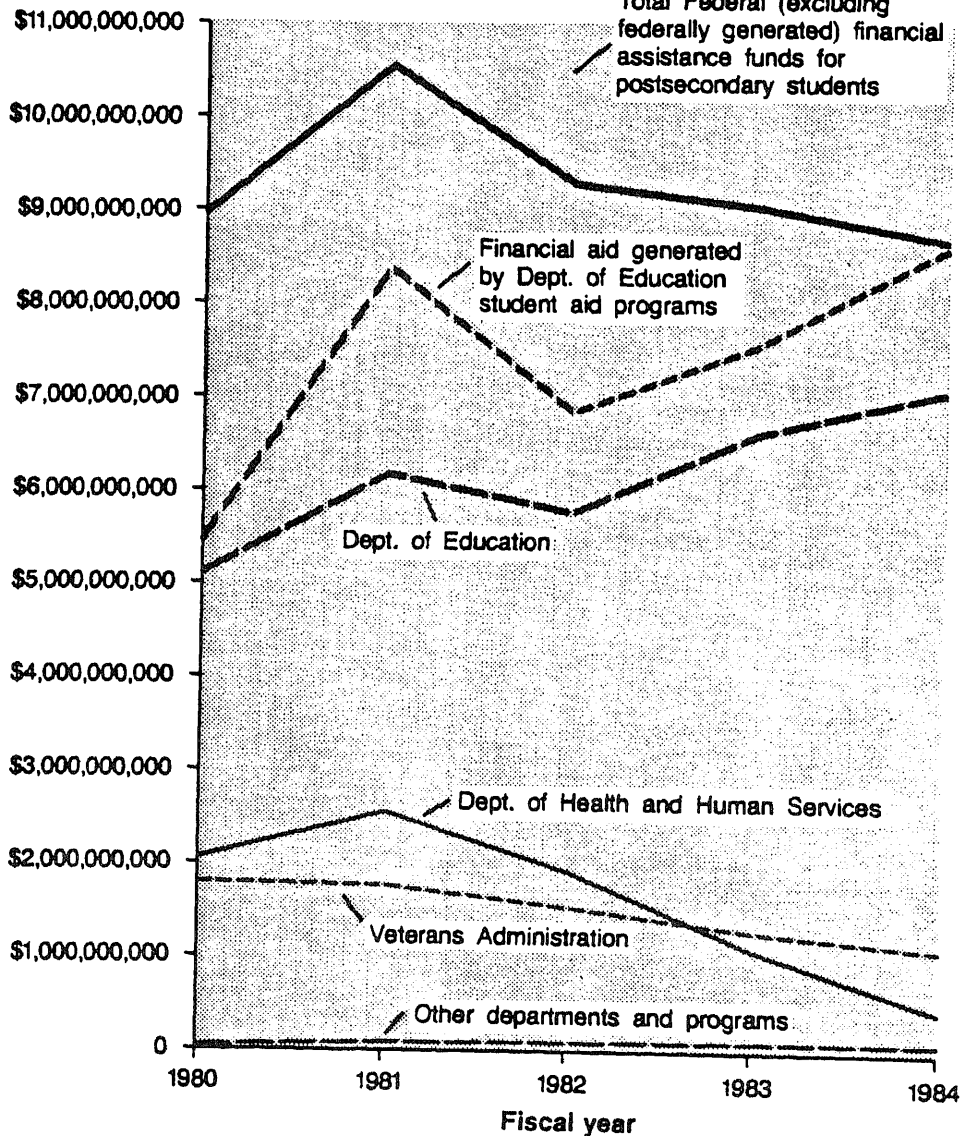
As percent of total sources

0 20 40 60 80

As percent of total sources

1970-71

# Assistance



(In Thousands)

Source of Funds	1980	1981	1982	1983	1984
Total.....	\$14,380,781	\$18,906,024	\$16,100,962	\$16,578,759	\$17,265,715
Total (excluding federally generated funds).....	<b>8,946,281</b>	<b>10,537,024</b>	<b>9,270,362</b>	<b>9,032,859</b>	<b>8,666,315</b>
Department of Education.....	<b>5,090,766</b>	<b>6,165,008</b>	<b>5,755,930</b>	<b>6,599,136</b>	<b>7,059,020</b>
Student Financial Assistance <sup>1</sup> .....	3,682,789	3,906,285	2,732,467	4,043,597	4,097,216
Guaranteed Student Loans <sup>2</sup> .....	1,407,977	2,258,723	3,023,463	2,555,539	2,961,804
Department of Health and Human Services.....	<b>2,039,266</b>	<b>2,541,442</b>	<b>1,909,947</b>	<b>1,077,670</b>	<b>431,085</b>
Health Professions Training Programs.....	395,800	444,633	368,420	266,894	161,703
National Health Services Corps Scholarships.....	70,667	88,207	59,767	32,016	14,622
National Institute of Occupational Safety and Health Training Grants.....	12,899	7,602	5,760	5,760	8,760
Social Security Postsecondary Student Benefits.....	1,559,900	2,001,000	1,476,000	773,000	246,000
Veterans Administration.....	<b>1,783,954</b>	<b>1,757,676</b>	<b>1,525,778</b>	<b>1,268,353</b>	<b>1,088,091</b>
College Student Support.....	1,606,698	1,567,950	1,333,676	1,088,913	892,396
Post-Vietnam Veterans.....	922	4,603	14,438	24,871	41,740
Veteran Dependents Education.....	176,334	185,123	177,664	154,569	153,955
Other Departments and Programs.....	<b>32,295</b>	<b>72,898</b>	<b>78,707</b>	<b>87,700</b>	<b>88,119</b>
Department of the Interior Indian Programs - Higher Education Scholarships and Contracts.....	27,890	27,290	26,281	24,605	13,967
Department of Defense Tuition Assistance for Military Personnel.....	—	43,500	50,800	61,300	71,900
Other Programs.....	4,405	2,108	1,626	1,795	2,252
Off-budget assistance <sup>3</sup> .....	<b>5,434,500</b>	<b>8,369,000</b>	<b>6,830,600</b>	<b>7,545,900</b>	<b>8,599,400</b>
College Work Study Program <sup>4</sup> .....	110,200	74,000	102,300	100,500	93,800
National Direct Student Loans <sup>5</sup> .....	407,500	394,200	416,600	457,400	503,600
State Student Incentive Grants <sup>6</sup> .....	76,800	76,800	73,700	60,000	76,000
Guaranteed Student Loans <sup>7</sup> .....	4,840,000	7,824,000	6,238,000	6,928,000	7,926,000

— Not applicable.

<sup>1</sup>Includes: Pell Grants (BEOG); Supplementary Education Opportunity Grants (SEOG); College Work-Study Program (CWSP); National Direct Student Loans (NDSL); and State Student Incentive Grants (SSIG).<sup>2</sup>Federal interest subsidy payments.<sup>3</sup>Financial aid generated by Department of Education student aid provisions.<sup>4</sup>Estimated employer contribution to student earnings. Amount of aid for student, less appropriations.<sup>5</sup>Loans created with revolving funds derived from repayments of outstanding loans.<sup>6</sup>State matching grants.<sup>7</sup>New student loans created with government guarantees.SOURCE: Office of Management and Budget, *Appendix, Budget of the U.S. Government*, volumes for Fiscal Years 1982 to 1985; and budget officials of the various Federal agencies.



**APPENDIX B: COLLECTION OF DEFAULTED STUDENT LOANS**

<b>What the Department of Education Is Doing to Collect Defaulted Loans. . . . .</b>	<b>B-3</b>
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Steps to improve collection procedures . . . . .	B-3
Legal steps to increase collections. . . . .	B-4
Future collection efforts. . . . .	B-5
<b>Statistical Summary of Collections on Defaulted Loans. . . . .</b>	<b>B-5</b>
Dollars Collected on Student Aid Programs by Fiscal Year. . . . .	B-6
Comparison of Total NDSL/FISL Collections by Month. .	B-7
Combined NDSL/FISL Collections by Month . . . . .	B-8
Cumulative NDSL/FISL Collections by Source. . . . .	B-9

# **What the Department of Education Is Doing to Collect Defaulted Loans**

## **The problem**

The Department of Education currently holds over one million defaulted loans under the Federally Insured Student Loan (FISL) and National Direct Student Loan (NDSL) programs. These defaulted loans amount to over \$1.37 billion that borrowers owe to the Department.

In recent years, the Department has taken several major steps to make its efforts to collect on these loans more effective. Recent changes in legislation have also increased the effectiveness of the Department's collection efforts.

## **Steps to improve collection procedures**

**Regional consolidation.** Early in 1981, the Department had 1,042 employees who were collecting on defaulted student loans. These employees were distributed among the ten regional offices. In March 1981, the Department decided to cut costs and increase efficiency by reducing the size of its collections staff to 300 and conducting all collections out of only three of the OSFA regional offices: Atlanta, Chicago, and San Francisco.

By October 1981, this regional consolidation had been completed. Although the number of collections employees had been reduced, the amount collected rose from \$45.4 million in Fiscal Year 1980 to \$46.2 million in Fiscal Year 1981.

**Private collection agencies.** To relieve its regional offices of labor-intensive collection tasks, the Department contracted with private collection agencies to help collect on defaulted student loans on a permanent basis. In November 1981, the Department awarded contracts to two private collection agencies. These agencies were asked to handle a total of over 220,000 FISL accounts and

on defaulted student loans that were made under the NDSL and Guaranteed Student Loan (GSL) programs.

**The Financial Recovery Management System (FRMS).** To help make procedures for collecting on defaulted student loans more systematic and efficient, the Department has developed the Financial Recovery Management System (FRMS). FRMS is a computer system that provides support to collections staff. This system was ready for staff to use in April 1984. Because FRMS gives staff immediate access to information on their computer terminals, it greatly reduces the amount of paperwork that they have to do. In the future, FRMS may be expanded to interact with systems that make telephone calls automatically, to generate affidavits automatically, and to provide staff with access to additional debt collection data-bases.

### **Legal steps to increase collections**

**The Debt Collection Act.** In October 1982, the President of the United States signed the Debt Collection Act of 1982 (P.L. 97-365) into law. This Act increases the ability of Federal agencies to collect on debts owed to the Federal Government.

One of the provisions of the Act gives the Department the right to deduct up to 15 percent from the net amount of a Federal paycheck or retirement check when a Federal employee or retiree refuses to repay a defaulted student loan. In December 1982, the Department began collecting in this way from Federal employees who had refused to repay their loans.

The Act also requires that borrowers who default on student loans be reported to national credit bureaus so that their credit ratings will be adversely affected. The Department has provided national consumer credit bureaus with the names of over 395,500 borrowers who have defaulted on student loans.

**Prosecution.** In October 1984, the Department of Justice implemented plans to place a higher priority on the student loan default cases referred to U.S. Attorneys for

The Deficit Reduction Act. The Deficit Reduction Act of 1984 authorizes the Internal Revenue Service to help Federal agencies collect delinquent debts that are owed to the Federal Government, by reducing Federal income tax refunds by the amount of those debts. The IRS is authorized to do this beginning in the 1985 tax year.

The Department has sent notices to approximately one million defaulters to make arrangements with the Department to repay their loans. If defaulters do not make these arrangements, the Department will ask the IRS to withhold the amounts outstanding on their loans from any Federal income tax refunds to which they may be entitled.

**Proposed legislation.** Collection officials within the Department of Education have taken the lead in developing proposals for legislation to provide all agencies with better tools for collecting Federal debts. In keeping with the emphasis on collecting Federal debts, additional legislation is being considered.

### **Future collection efforts**

As a result of these steps, the amounts collected annually on student loans have risen dramatically. The Department is continuing to develop and expand its collection efforts to meet its changing needs.

### **Statistical Summary of Collections on Defaulted Student Loans**

The table and charts on the following pages provide data about the amount of money that the Department has collected on defaulted student loans.

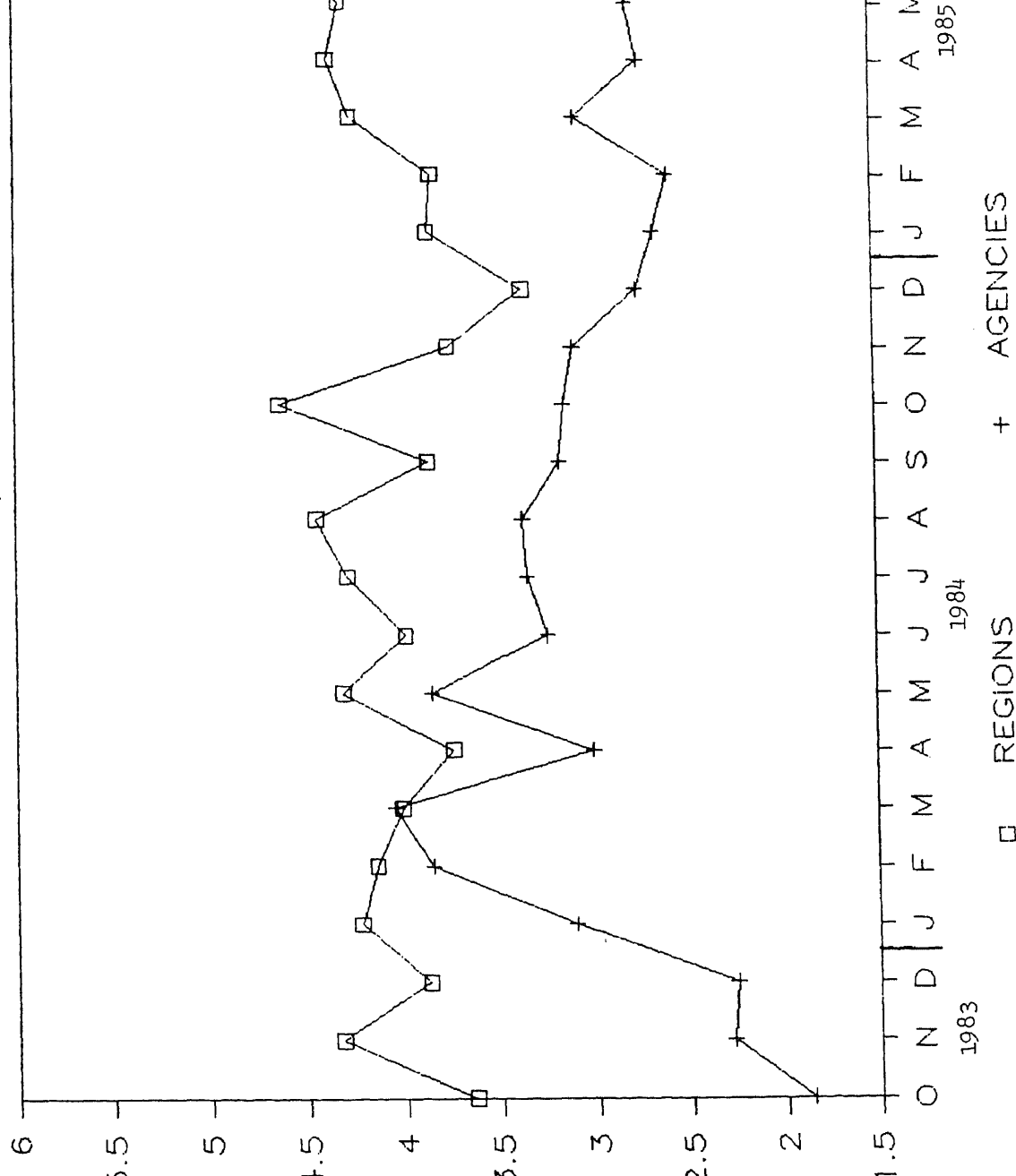
## Dollars Collected on Student Aid Programs by Fiscal Year

Program	FY 1980	FY 1981	FY 1982	FY 1983	FY 1984	Total
PLUS and PLUS <sup>a</sup>						
PLUS collections (millions)	43	39	41	51	63	
PLUS reimbursement (millions)	25	26	37	59	98	
Total	68	65	78	110	161	
Contract						
FA collections	2,620,656	6,554,617	10,692,490	13,258,093	13,549,620	46,675,476
Contract collection agencies	NA	NA	3,091,033	8,151,537	11,941,380	23,183,950
Total	2,620,656	6,554,617	13,783,523	21,409,630	25,491,000	69,859,426
Grant (BEOG):						
FA collections		58,345	18,357	25,329	28,538	150,599
Contract collections	23,539	NA	NA	NA	3,897	27,436
Total	NA	NA	NA	NA	32,435	150,599
PLUS Loans						
FA collections	NA	NA	589,765	1,786,947	2,073,565	4,450,282
Contract collections	NA	203,602	NA	NA	NA	4,653,884
Total	NA	203,602	589,765	1,786,947	2,073,565	4,653,884
PLUS						
FA collections	NA	NA	NA	NA	798,947	798,947
Contract collections	NA	NA	NA	NA	56,952	56,952
Total	NA	NA	NA	NA	855,331	855,331

<sup>a</sup> Data for FY 1980 do not include PLUS loans. FY 1981 was the first year that loans were disbursed under the PLUS Program.

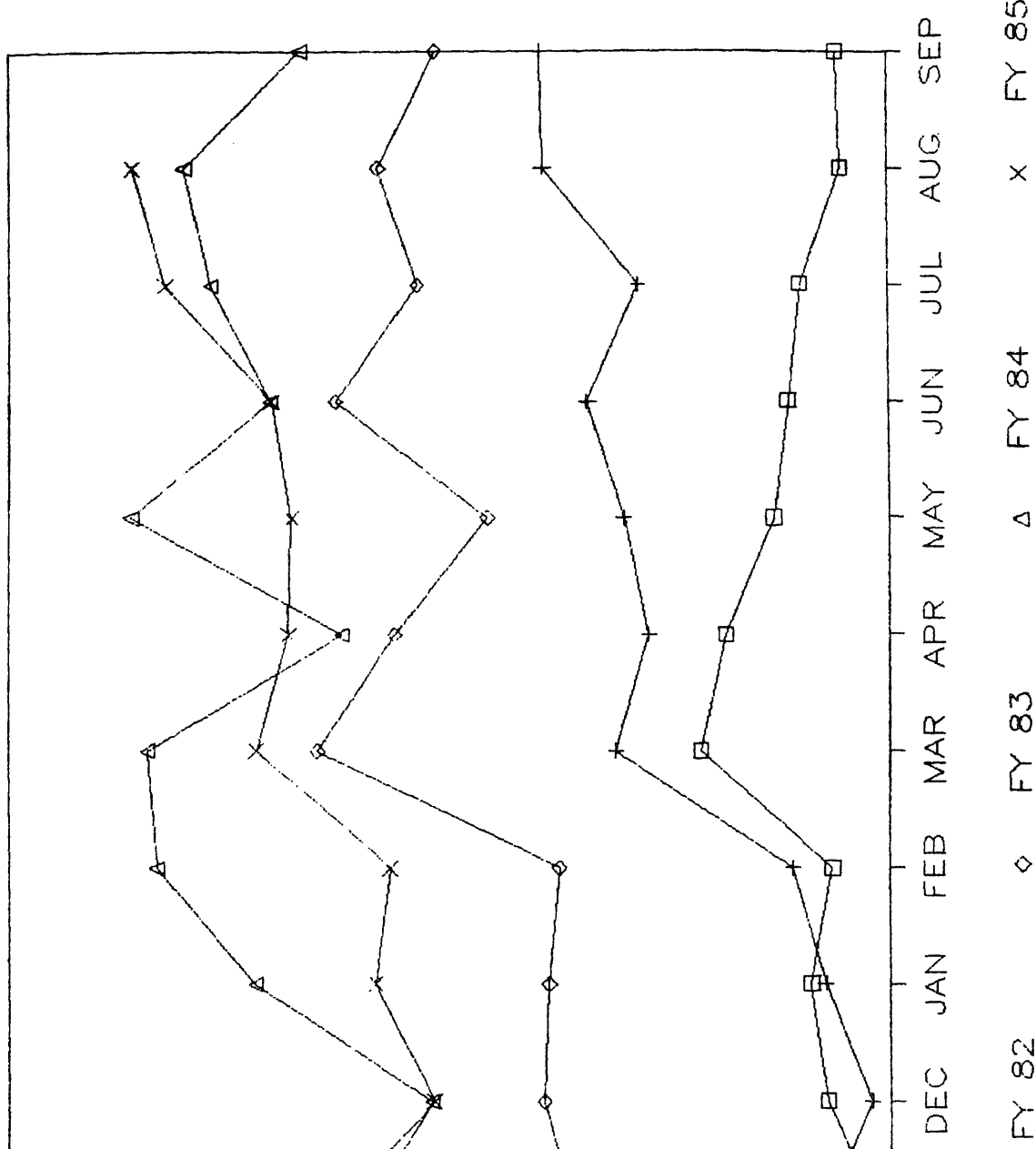
## COMPARISON OF TOTAL NDSL/FISL COLLECTIONS BY

MONTH--(10/83-8/85)

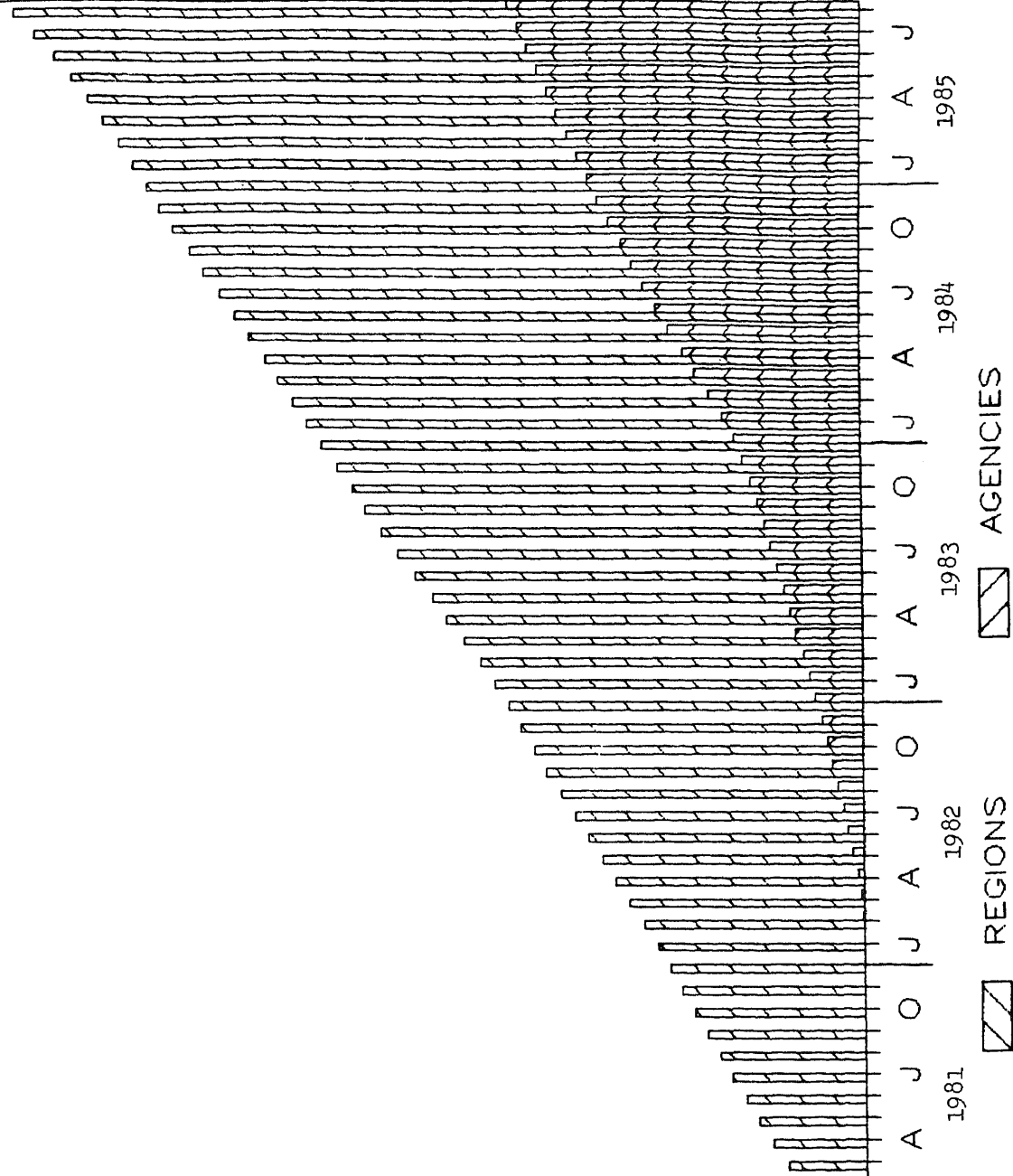


COMBINED NDSL/FISL COLLECTIONS BY MONTH

FY 1981-FY 1985



FY 82   ♦   FY 83   Δ   FY 84   x   FY 85





## GLOSSARY

**adjusted gross income (AGI):** total annual income, minus certain adjustments. (The AGI appears as an item on Federal income tax returns.)

**ADS:** See Alternate Disbursement System.

**AGI:** See adjusted gross income.

**Alternate Disbursement System (ADS):** a method of paying students their Pell Grants. The Department of Education and each school that participates in the Pell Grant Program enter into an agreement to use the ADS at the school or to use the Regular Disbursement System (RDS). Under the ADS, the Department calculates Pell Grants and makes payments directly to students who attend the school. Contrast with Regular Disbursement System.

**Campus-Based programs:** the National Direct Student Loan (NDSL) Program, the College Work-Study (CWS) Program, and the Supplemental Educational Opportunity Grant (SEOG) Program. The Campus-Based programs are administered by the financial aid administrators of participating schools. Within regulations established by the Department of Education, each school determines the specific requirements its students must meet to receive aid under the Campus-Based programs. Students apply directly to their schools for aid from the Campus-Based program

**College Work-Study (CWS) Program:** a financial aid program that provides part-time employment to undergraduate and graduate or professional students who have financial need, to help them meet the cost of attending postsecondary schools

**cost of attendance (or cost of education):** the total amount it will cost a student to go to school. It is usually expressed as a yearly figure. For the Pell Grant Program, the cost of attendance is limited to tuition and fees; on-campus room and board (or a housing and food allowance for students living off campus); and allowances for books, supplies, and miscellaneous expenses. For the

**deferment:** permission that is granted by the GSI, PLUS, and NDSL programs for borrowers to put off making payments on the principal of their student loans during specified periods and under certain conditions

**dependent student:** a student who is financially dependent on his or her parents. The answers that a student gives to the questions in the section of the application for Federal aid that deals with the student's status determine whether a student is considered dependent or independent.

**eligible non-citizen:** a student who is not a U.S. citizen but who may still be eligible to receive Federal student aid. A list of eligible non-citizens appears in the *Federal Student Financial Aid Handbook*.

**expected family contribution:** how much a student and his or her family can afford to pay towards the cost of attendance. The amount of the expected family contribution is determined by using a standard formula. See also **cost of attendance**.

**financial need:** See **need**.

**forbearance:** permission that may be granted by a lender for a borrower to put off or reduce the size of loan payments

**forward-funded program:** a financial aid program for which Congress annually appropriates funds to be used during the following academic year

**full-time student:** a student who is enrolled in a postsecondary school (other than a correspondence school) and is carrying a full-time academic workload. The student's school determines whether he or she is carrying a full-time academic workload.

**graduate/professional student:** (1) a student who has completed the equivalent of at least 3 years of full-time study at a postsecondary school and is pursuing a program leading to a graduate or professional degree or certificate (2) a student who has a bachelor's degree and is enrolled in courses that are normally part of a program

**guarantee agency:** a State or private non-profit agency that administers the GSL and PLUS programs and insures the loans made under these programs. Guarantee agencies insure lenders against losses resulting from the default, death, disability, or bankruptcy of borrowers.

**Guaranteed Student Loan (GSL) Program:** a financial aid program that provides low-interest, long-term loans to undergraduate and graduate or professional students, to help them meet the cost of attending postsecondary schools

**half-time student:** a student who is enrolled in a postsecondary school and is carrying a half-time academic workload (that is, at least one half of the academic workload of a full-time student). The student's school determines whether he or she is carrying a half-time academic workload.

**independent student:** a student who is financially independent of his or her parents. The answers that a student gives to the questions in the section of the application for Federal aid that deals with the student's status determine whether the student is considered dependent or independent.

**insurance premium:** a premium which a guarantee agency charges a lender for insuring the lender against losses on student loans. The lender may pass the charges for the insurance premium on to the borrower. The rate of the insurance premium varies from agency to agency, but may not exceed 1% per year of the unpaid principal balance of a GSL or PLUS loan.

**Law Enforcement Education Program (LEEP):** a financial aid program that provided grants and loans to students who were already working or who planned to work in the fields of criminal and juvenile justice. This program ended at the end of the 1980-81 academic year.

**LEEP:** See Law Enforcement Education Program.

**loan origination fee:** a fee that the Department of Education charges lenders for each loan that they make under the GSL Program. This fee equals 5 percent of the

**National Direct Student Loan (NDSL) Program:** a financial aid program that provides low-interest loans to undergraduate and graduate or professional students who have financial need, to help them meet the cost of attending postsecondary schools

**NDSL:** a loan made under the National Direct Student Loan (NDSL) Program. See **National Direct Student Loan Program**.

**need:** the difference between a student's cost of attendance; other financial aid, and his or her expected family contribution. See also **cost of attendance** and **expected family contribution**.

**PLUS Program:** a financial aid program that provides low-interest, long-term loans to independent undergraduates, to graduate or professional students, and to parents of dependent undergraduates, to help them meet the cost of attending postsecondary schools

**Pell Grant Program:** a financial aid program that provides grants to undergraduate students who have financial need, to help them meet the cost of attending postsecondary schools

**promissory note:** the legal document that a borrower must sign when he or she takes out a loan. It lists the conditions under which the loan is made and the terms under which the borrower agrees to pay it back.

**proprietary school:** a private school that is run for profit

**RDS:** See **Regular Disbursement System**.

**Regular Disbursement System (RDS):** a method of paying students their Pell Grants. The Department of Education and each school that participates in the Pell Grant Program enter into an agreement to use the RDS at the school or to use the Alternate Disbursement System (ADS). Under the RDS, the school calculates Pell Grants and makes payments to its students. Contrast with **Alternate Disbursement System**.

**SAI:** See **student aid index**.

**SEOG:** See Supplemental Educational Opportunity Grant Program.

**special allowance:** a quarterly payment that the Department of Education makes to lenders under the GSL and PLUS programs. This payment is based on the outstanding principal balance of both GSLs and PLUS loans. It supplements the interest that lenders receive on their GSLs and PLUS loans.

**SSIG:** See State Student Incentive Grant Program.

**statement of educational purpose:** a statement that a student must sign in order to receive Federal aid. By signing this statement, the student agrees to use the financial aid money only for expenses related to attending school.

**statement of registration compliance:** a statement certifying that a student either has registered with the Selective Service or is not required to do so. A student who is required to register with the Selective Service must sign this statement in order to receive Federal aid. Most schools require all students who apply for Federal aid to sign the statement.

**State Student Incentive Grant (SSIG) Program:** a financial aid program that provides grants to students who have substantial financial need, to help them meet the cost of attending postsecondary schools

**student aid index (SAI):** a number that the Department of Education calculates on the basis of the information that a student gives on an application for Federal aid. It is the only index on which a Pell Grant can be awarded, and may be used to award Campus-based aid. This number helps to determine whether the student is eligible to receive Federal aid and, if the student is eligible, how much aid he or she will receive.

**Student Aid Report (SAR):** a report that the Department of Education sends to a student after the student's application for Federal aid has been processed. The SAR contains the information that the student gave on his or her application. It also shows the student aid index

**Title IV programs:** the Pell Grant Program, the Guaranteed Student Loan (GSL) Program, the PLUS Program, the National Direct Student Loan (NDSL) Program, the College Work-Study (CWS) Program, the Supplemental Educational Opportunity Grant (SEOG) Program, and the State Student Incentive Grant (SSIG) Program. The Title IV programs are currently authorized under Title IV of the Higher Education Act of 1965, as amended.

**undergraduate student:** a student who is enrolled in an undergraduate course of study at a postsecondary school

**validation:** the process of checking to make sure the information on applications for Pell Grants is accurate, by reviewing the documents that some students must submit to confirm the information on their applications